

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #4939

SCHEDULED SALE DATE AND TIME: 11:00 a.m. (local time) on June 12, 2013. LOCATION: GLADWIN MGMT UNIT, 801 N SILVERLEAF, GLADWIN, MI 48624.

PROSPECTUS NOTE: Please review Sale Specs and note that the harvesting guidelines of each sale may be unique.

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:

CEMETARY MIX (73-004-13-01) / T20N, R05W, SEC. 19, NESE, SESE, SWSE, SEC.32 NWNW.

T20N, R05W, SEC. 21, NESW, E1/2NW, N1/2NE, SENE.

T20N, R05W, SEC. 30, SESE, SWSE.

T20N, R05W, SEC. 31, NENE, NWNE, SWNE, SENE.

Clare County, Advertised Price \$106,110.00, 266.0 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.

WHITE FLAG JACK (73-005-13-01) / T19N, R05W, SEC. 06, NENW, NWNE, SWNE, SENW.

T20N, R05W, SEC. 31, NWSE, SWSE, NESW.

Clare County, Advertised Price \$25,694.75, 95.0 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.

PIPELINE PINE (73-006-13-01) / T20N, R05W, SEC. 19, NESESESE.

T20N, R05W, SEC. 20, SW 1/4.

Clare County, Advertised Price \$74,193.50, 112.0 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. 03/08/2013):

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 11:00 a.m. (local time) on June 12, 2013. For further information concerning this sale, contact Jason Hartman at 989-426-9205 extension 7640.

2. Bidder's Qualifications (2/12)

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/FRD 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 (10/12)

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/timber. 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 (3/13)

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 100% 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.

KEITH CREAGH Director

TIMBER SALE INFORMATION

CEMETARY MIX (73-004-13-01)

T20N, R05W, SEC. 19; T20N, R05W, SEC. 21; T20N, R05W, SEC. 30; T20N, R05W, SEC. 31.

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 UNITS*	<u>AD\</u>	ERTISED PRICE
Sawlogs			
Mixed Oak	87.70 MBF	\$	113.00 / MBF
Red Pine	187.00 MBF	\$	150.00 / MBF
Pulpwood			
Jack Pine	2,052.00 Cords	\$	14.85 / Cord
Mixed Aspen	50.00 Cords	\$	20.25 / Cord
Mixed Oak	467.00 Cords	\$	20.25 / Cord
Red Pine	552.00 Cords	\$	46.15 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,733.65:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Sawlogs			
Jack Pine	19.70 MBF	\$	50.00 / MBF
Pulpwood			
Mixed Hardwood	15.00 Cords	\$	28.35 / Cord
White Pine	33.00 Cords	\$	9.80 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 9.05 percent. The estimated units 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 **\$5,350.00** 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	13%
02	14%
03	17%
04	12%
05	4%
06	40%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 09/30/2015.

Sale Specific Conditions & Requirements

Sale Name: Cemetary Mix Sale Number: 73-004-13-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (10/12)

The sale boundary and Payment Unit boundaries are marked and identified by blue, red, green and yellow paint. The painted boundary line trees are not Included Timber and are to be protected. 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. Trees within the green painted boundary are designated as retention and are not to be harvested. 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, 3, 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. Areas of dense oak regeneration should be avoided when possible.

EXCEPTION: Within All Units, do not cut or damage trees marked with green paint.

2.2 - Utilization

2.2.2 - Chipping required (1/11)

Payment Units 1, 2, 3, 4, 5 and 6 must be chip harvested to facilitate future silvicultural activities. 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. Within Payment Unit(s) 1 - 6, in order to facilitate reforestation all stumps shall be cut at ground level.

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.

3.4.3 - Special Protection Areas (8/11)

The Purchaser shall protect special protection areas from damage by the Purchaser's operations. Special protection areas are marked with a green boundary line. The Purchaser shall not cut live or dead trees within special protection areas.

4 - Transportation

4.1 - Construction

4.1.6 - Road construction (1/09)

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.

4.2 - Maintenance

4.2.4 - Grading (12/08)

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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations. The Unit Manager or his/her representative must be contacted at least 5 days in advance to schedule the conference.

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

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

5.1.4 - Post-sale conference (6/11)

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

5.2.1.11 - Slash for reforestation (5/07)

To facilitate reforestation, the entire sale area 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

5.2.3.6 - 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 the Snowmobile Trail and all County Roads will be cut and left on the ground.

5.2.41 - Snowmobile trail protection (9/11)

The Fur Farm Snowmobile Trail is within the sale area and is shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. If the trail is used for hauling, it must be graded to the satisfaction of the Unit Manager or his/her representative prior to December 1st. If the trail is to be used for hauling during the snowmobile season, then a snow

covered base must be left on the trail. Maintain a 20 foot wide slash, debris, and rut free zone daily using the snowmobile trail as the centerline. No decking of forest products will be permitted along the snowmobile trail.

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.

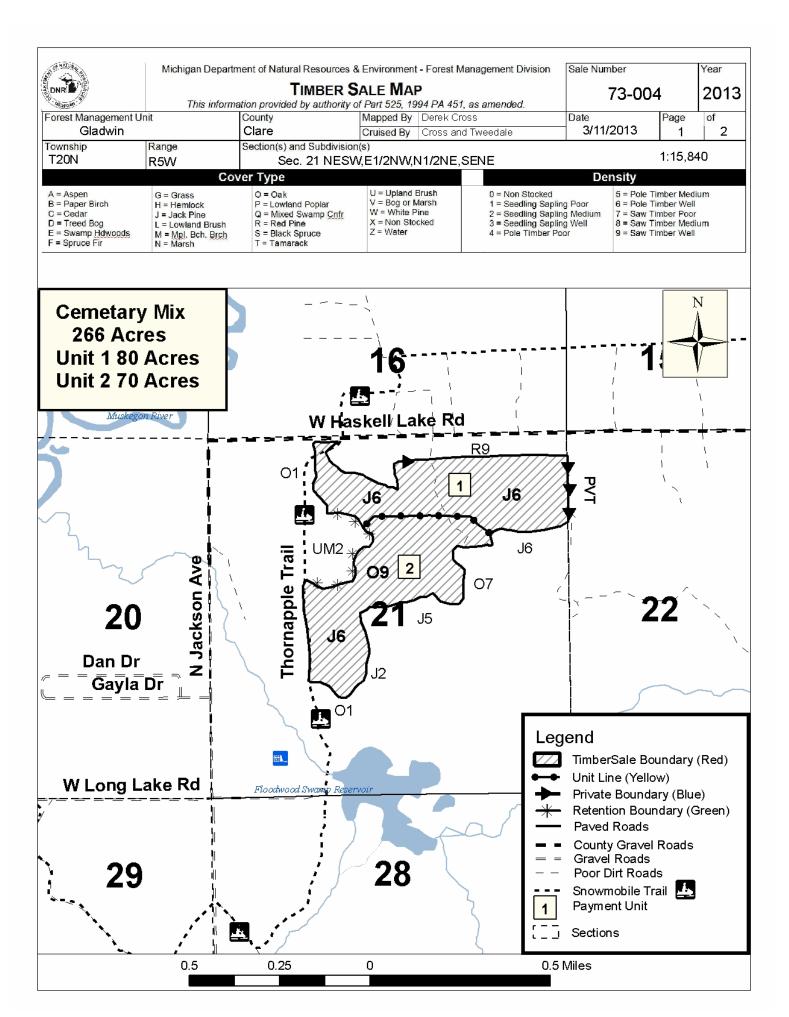
6 - Safety and Fire Prevention

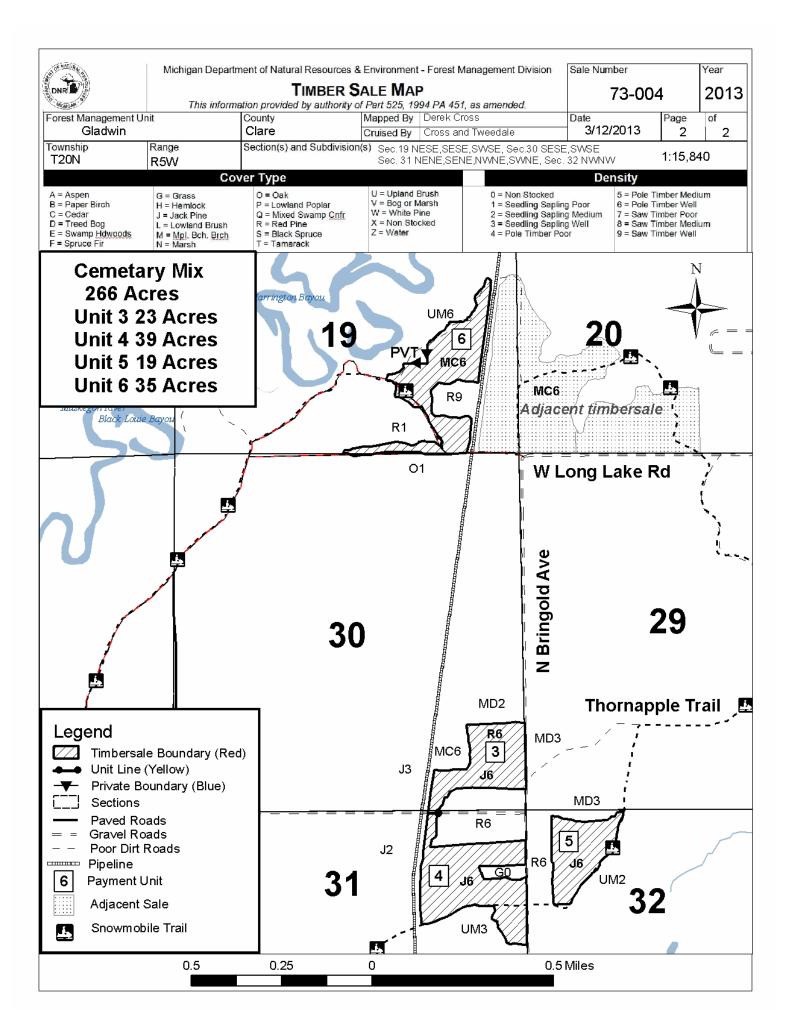
6.2 - Signing

6.2.2 - Snowmobile trail posting (8/09)

The Purchaser is responsible for posting and maintaining caution signs on the Fur Farm Snowmobile Trail prior to beginning operations during the snowmobile season (approximately December 1 to March 31). The trail 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.

Section Name: Sale Specific Current as of 5/8/2013 12:47:51PM





TIMBER SALE INFORMATION

WHITE FLAG JACK (73-005-13-01)

T19N, R05W, SEC. 06; T20N, R05W, SEC. 31.

Clare County (Advertised Price \$25,694.75)

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 UNITS*	<u>ADV</u>	ERTISED PRICE
Sawlogs			
Jack Pine	59.70 MBF	\$	44.00 / MBF
Mixed Oak	21.00 MBF	\$	92.00 / MBF
Pulpwood			
Jack Pine	1,086.00 Cords	\$	12.80 / Cord
Mixed Oak	207.00 Cords	\$	17.55 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$3,602.30:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Sawlogs			
Red Pine	5.60 MBF	\$	123.00 / MBF
White Pine	2.00 MBF	\$	51.00 / MBF
Pulpwood			
Mixed Aspen	38.00 Cords	\$	18.30 / Cord
Mixed Hardwood	35.00 Cords	\$	23.80 / Cord
Red Pine	24.00 Cords	\$	39.90 / Cord
White Pine	31.00 Cords	\$	10.50 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 9.13 percent. The estimated units 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 **\$1,300.00** 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 55%

02 45%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 09/30/2015.

Sale Specific Conditions & Requirements

Sale Name: White Flag Jack Sale Number: 73-005-13-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (10/12)

The sale boundary and Payment Unit boundaries are marked and identified by red paint. The painted boundary line trees are not Included Timber and are to be protected. Exterior sale boundary lines against state are marked with red paint.

2 - Timber Specifications

2.1 - Included Timber

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

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

EXCEPTION: Within All Units, do not cut or damage trees marked with green paint.

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. Within Payment Unit(s) 1 - 2, in order to facilitate reforestation all stumps shall be cut at ground level.

2.2.10 - No chipping tops and limbs (4/12)

Within Payment Unit(s) 1 and 2, chipping of the bole, 2-inches in diameter or greater, is allowed. Chipping of limbs or portions of the tree less than 2-inches in diameter is not permitted. Limbs and the remaining top must be left on site and scattered.

3 - Payments

3.4 - Damaged Timber

3.4.2 - Special Protection Trees (8/11)

The Purchaser shall not cut live or dead special protection trees within cutting units or clearings. Special protection trees are marked with green paint. The Purchaser shall protect special protection trees from damage by the Purchaser's operations. If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay 3 times the stumpage for that species as fixed, agreed and liquidated damages for each special protection tree cut or damaged. Such payment does not constitute ownership of the undesignated timber.

4 - Transportation

4.1 - Construction

4.1.6 - Road construction (1/09)

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.

4.2 - Maintenance

4.2.4 - Grading (12/08)

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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations. The Unit Manager or his/her representative must be contacted at least 5 days in advance to schedule the conference.

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

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

5.1.4 - Post-sale conference (6/11)

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.

5.2.1.11 - Slash for reforestation (5/07)

To facilitate reforestation, the entire sale area 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

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1 and 2, unless changed by written agreement, cutting, skidding, and hauling are limited to the period of May 1 (05/01) to September 1 (09/01). This restriction is because there are scattered low pockets within the stands that may be seasonally wet. And to ensure soil scarification for natural jack pine regeneration.

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.

5.2.41 - Snowmobile trail protection (9/11)

The Fur Farm Snowmobile Trail is within the sale area and is shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. If the trail is used for hauling, it must be graded to the satisfaction of the Unit Manager or his/her representative prior to December 1st. If the trail is to be used for hauling during the snowmobile season, then a snow covered base must be left on the trail. Maintain a 20 foot wide slash, debris, and rut free zone daily using the snowmobile trail as the centerline. No decking of forest products will be permitted along the snowmobile trail.

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.

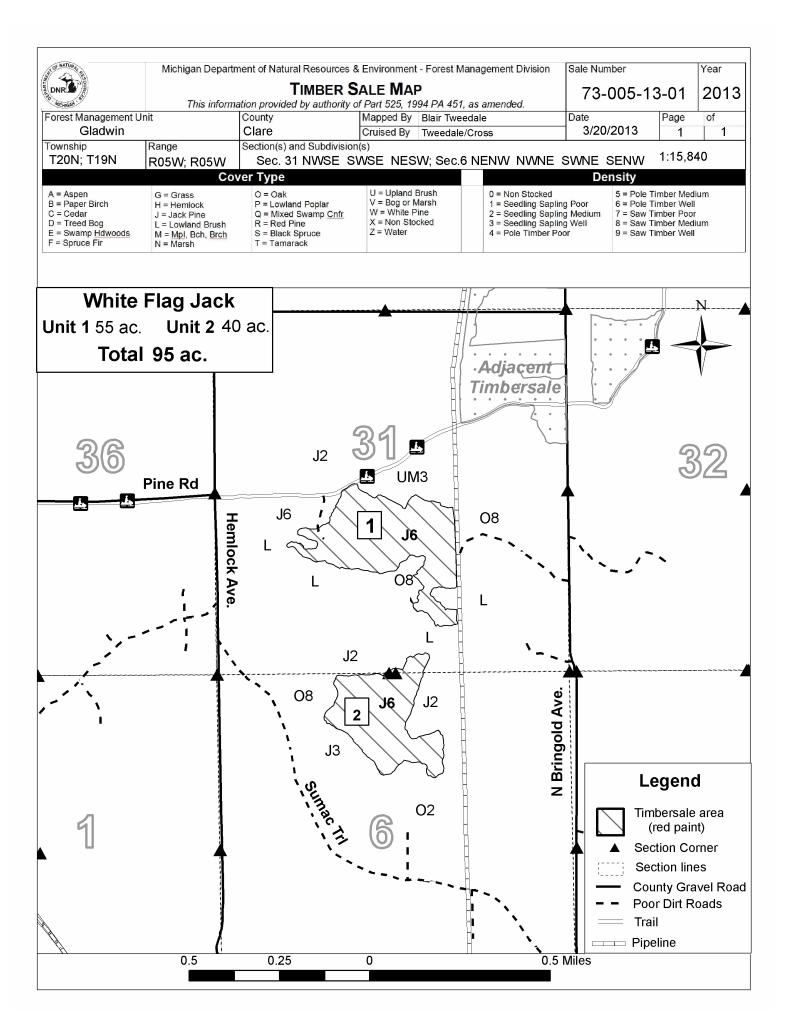
6 - Safety and Fire Prevention

6.2 - Signing

6.2.2 - Snowmobile trail posting (8/09)

The Purchaser is responsible for posting and maintaining caution signs on the Fur Farm Snowmobile Trail prior to beginning

	tely December 1 to March 31). The trail must be posted at appropr ty and truck traffic. Signs must be removed when harvest operation
ion Name: Sale Specific	Current as of 4/24/2013 12:42:21P
on Hanno, Jaio Opeonio	Julient as 01 4/24/2013 12.42.216



TIMBER SALE INFORMATION

PIPELINE PINE (73-006-13-01)

T20N, R05W, SEC. 19; T20N, R05W, SEC. 20.

Clare County (Advertised Price \$74,193.50)

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 UNITS*	<u>AD\</u>	/ERTISED PRICE
Sawlogs			
Red Pine	248.60 MBF	\$	130.00 / MBF
Pulpwood			
Jack Pine	419.00 Cords	\$	11.35 / Cord
Mixed Oak	264.00 Cords	\$	15.95 / Cord
Red Pine	656.00 Cords	\$	40.50 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$6,341.05:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Sawlogs			
Jack Pine	3.50 MBF	\$	35.00 / MBF
Mixed Aspen	16.10 MBF	\$	46.00 / MBF
Mixed Oak	39.00 MBF	\$	81.00 / MBF
Pulpwood			
Mixed Aspen	104.00 Cords	\$	16.60 / Cord
Mixed Hardwood	19.00 Cords	\$	23.45 / Cord
White Pine	14.00 Cords	\$	10.50 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 12.59 percent. The estimated units 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 \$3,800.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

, ,	5 5
PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	8%
02	31%
03	61%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 09/30/2015.

Sale Specific Conditions & Requirements

Sale Name: Pipeline Pine Sale Number: 73-006-13-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (10/12)

The sale boundary and Payment Unit boundaries are marked and identified by blue, red and/or yellow paint. The painted boundary line trees are not Included Timber and are to be protected. 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 - 3, cut all trees that are four (4) 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 All Units, do not cut or damage trees marked with green paint.

2.1.11 - Description of timber note (2/04)

Note that Mixed oak is 99% Northern pin oak and 1% white oak.

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. Within Payment Unit(s) 1 - 3, in order to facilitate reforestation all stumps shall be cut at ground level.

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 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 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

4.1.6 - 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. Any construction of new roads must be

pre-approved by unit manager or a represenative.

4.2 - Maintenance

4.2.4 - Grading (12/08)

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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations. The Unit Manager or his/her representative must be contacted at least 5 days in advance to schedule the conference.

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 (6/11)

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.

5.2.1.11 - Slash for reforestation (5/07)

To facilitate reforestation, 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

5.2.3.6 - 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 the Snowmobile Trail and all County Roads will be cut and left on the ground.

5.2.41 - Snowmobile trail protection (9/11)

The Fur Farm Snowmobile Trail is within the sale area and is shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. If the trail is used for hauling, it must be graded to the satisfaction of the Unit Manager or his/her representative prior to December 1st. If the trail is to be used for hauling during the snowmobile season, then a snow covered base must be left on the trail. Maintain a 20 foot wide slash, debris, and rut free zone daily using the snowmobile trail as the centerline. No decking of forest products will be permitted along the snowmobile trail.

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.

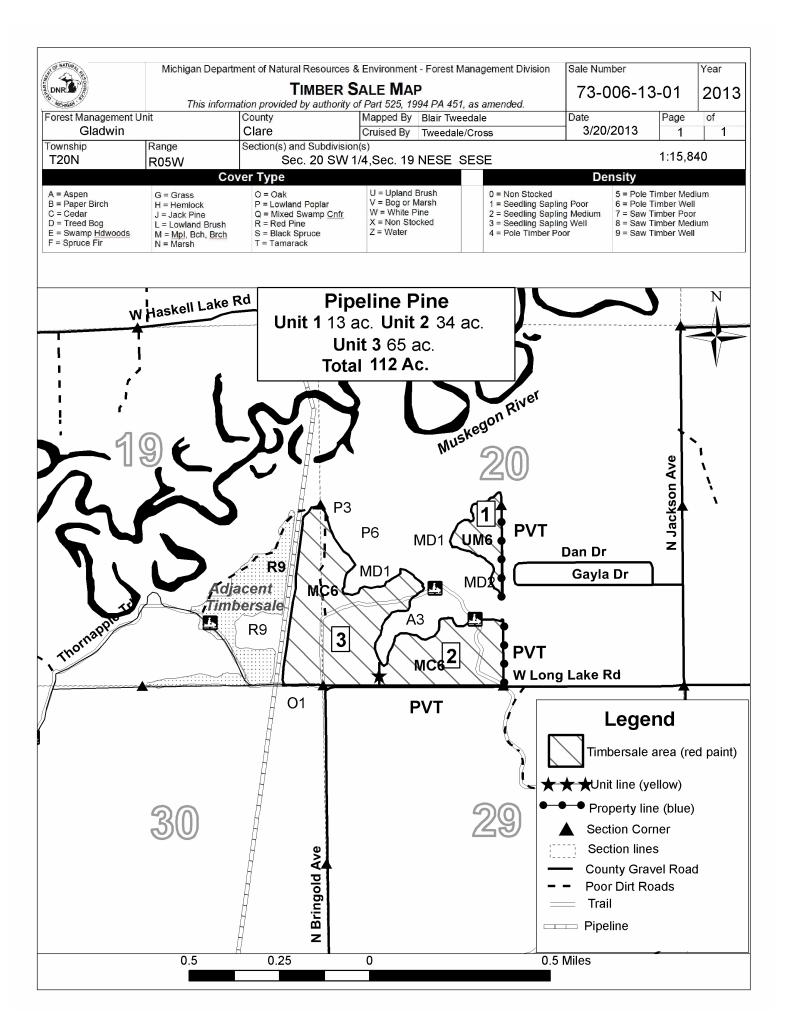
6 - Safety and Fire Prevention

6.2 - Signing

6.2.2 - Snowmobile trail posting (8/09)

The Purchaser is responsible for posting and maintaining caution signs on the Fur Farm Snowmobile Trail prior to beginning operations during the snowmobile season (approximately December 1 to March 31). The trail 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.

Section Name: Sale Specific Current as of 5/8/2013 12:41:03PM



BID FORM

CEMETARY MIX (73-004-13-01)

T20N, R05W, SEC. 19; T20N, R05W, SEC. 21; T20N, R05W, SEC. 30; T20N, R05W, SEC. 31, Clare County

In response to the notice of sale to be held 11:00 a.m. (local time) on June 12, 2013, 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	ESTIMATE	D UNITS*	AD\	VERTISED PRICE	BID PRICE	
Sawlogs						
Mixed Oak	87.70	MBF	\$	113.00 / MBF	\$	_ / MBF
Red Pine	187.00	MBF	\$	150.00 / MBF	\$	/ MBF
Pulpwood						
Jack Pine	2,052.00	Cords	\$	14.85 / Cord	\$	/ Cord
Mixed Aspen	50.00	Cords	\$	20.25 / Cord	\$	/ Cord
Mixed Oak	467.00	Cords	\$	20.25 / Cord	\$	/ Cord
Red Pine	552.00	Cords	\$	46.15 / Cord	\$	/ Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,733.65:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADV	ERTISED PRICE
Sawlogs			
Jack Pine	19.70 MBF	\$	50.00 / MBF
Pulpwood			
Mixed Hardwood	15.00 Cords	\$	28.35 / Cord
White Pine	33.00 Cords	\$	9.80 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 9.05 percent. The estimated units 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 SOCIA	AL SECURITY NUMBER:_	
	Company or indiv	idual bidding:			
	Company represe	entative's name:			
	Address:				
	City:		State:	Zip:	
F AVAIL	ABLE, PLEASE PL	ACE THE PERSO	NALIZED LABE	L FROM YOUR PROSPEC	CTUS IN THE ABOVE BOX.
ndividual	l or company repres	sentative's signatu	ıre:		Date:
idividua	i or company repres	oontativo o olgilate			



Title

Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

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

	VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE				
•	This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.				
•	In addition, if boxes 2B or 2C are checked days of the contract award and prior to the			tificate of Insurance must be submitted within 21 tract.	
•	All Information must be typed or printed e	except for written s	ignatures.		
Ple	ease Check Appropriate Categories:				
1.	 My business is organized as (you must check <u>one</u> of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation 				
2.	 You must check one of the boxes below: A.				
3.	If you have checked item 2(A) or 2(B), y than yourself, including family members			both full-time and part-time employees, other u must enter "0").	
	Full-time Er	mployees		Part-time Employees	
Nam	ne of Business		Federal ID (or) Social Security No.		
Address			Telephone ()		
City State			ZIP		
occ	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

BID FORM

WHITE FLAG JACK (73-005-13-01) T19N, R05W, SEC. 06; T20N, R05W, SEC. 31, Clare County

In response to the notice of sale to be held 11:00 a.m. (local time) on June 12, 2013, 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	ESTIMATE	D UNITS*	ADV	ERTISED PRICE	BID PRICE	
Sawlogs						
Jack Pine	59.70	MBF	\$	44.00 / MBF	\$	/ MBF
Mixed Oak	21.00	MBF	\$	92.00 / MBF	\$	/ MBF
Pulpwood						
Jack Pine	1,086.00	Cords	\$	12.80 / Cord	\$	/ Cord
Mixed Oak	207.00	Cords	\$	17.55 / Cord	\$	/ Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$3,602.30:

PRODUCTS & SPECIES	ESTIMATED UNITS*		<u>ADVE</u>	ERTISED PRICE
Sawlogs				
Red Pine	5.60	MBF	\$	123.00 / MBF
White Pine	2.00	MBF	\$	51.00 / MBF
Pulpwood				
Mixed Aspen	38.00	Cords	\$	18.30 / Cord
Mixed Hardwood	35.00	Cords	\$	23.80 / Cord
Red Pine	24.00	Cords	\$	39.90 / Cord
White Pine	31.00	Cords	\$	10.50 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 9.13 percent. The estimated units 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 SECU	IRITY NUMBER:		
	Company or individual bidding:				
	Company representative's name:				
	Address:				
	City:	State:	Zip:		
F AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.					
ndividual	or company representative's signature	re:		Date:	
Phone nu	none number : Email (optional):				



Title

Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

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

	VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE					
•	This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.					
•	In addition, if boxes 2B or 2C are checked days of the contract award and prior to the				f Insurance must be sub	mitted within 21
•	All Information must be typed or printed e	xcept for written si	gnatures.			
Ple	ease Check Appropriate Categories:					
1.	 My business is organized as (you must check <u>one</u> of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation 					
2.	 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. 					e of an approved ys of the contract 322-1195). surance within 21
	than yourself, including family members Full-time En	•	rs (if none	∍, you must e	enter "0"). Part-time Em _l	ployees
Nam	ne of Business		Federal ID (or) Social Security No.			
Address			Telephone ()		
City State			ZIP			
occ	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

FEDERAL ID:

BID FORM

<u>PIPELINE PINE (73-006-13-01)</u> T20N, R05W, SEC. 19; T20N, R05W, SEC. 20, Clare County

In response to the notice of sale to be held 11:00 a.m. (local time) on June 12, 2013, 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 UNITS*	ADVERTISED PRICE	BID PRICE
Sawlogs			
Red Pine	248.60 MBF	\$ 130.00 / MBF	\$ / MBF
Pulpwood			
Jack Pine	419.00 Cords	\$ 11.35 / Cord	\$ / Cord
Mixed Oak	264.00 Cords	\$ 15.95 / Cord	\$ / Cord
Red Pine	656.00 Cords	\$ 40.50 / Cord	\$ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$6,341.05:

PRODUCTS & SPECIES	ESTIMATED UNITS*		ADVE	ERTISED PRICE
Sawlogs				
Jack Pine	3.50	MBF	\$	35.00 / MBF
Mixed Aspen	16.10	MBF	\$	46.00 / MBF
Mixed Oak	39.00	MBF	\$	81.00 / MBF
Pulpwood				
Mixed Aspen	104.00	Cords	\$	16.60 / Cord
Mixed Hardwood	19.00	Cords	\$	23.45 / Cord
White Pine	14.00	Cords	\$	10.50 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 12.59 percent. The estimated units 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.

or SOCIAL SECURITY NUMBER:

					1	
	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	THE ABOVE BOX.	-	
Individual	or company representative's signatu	re:		Date:		
Phone nu	mber :	Email (optional):			



Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

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

	VERIFICATION OF WORKER'S DISABILITY CO	MPENSATION ACT COMPLIANCE					
•	This verification must be completed and submitted within 21 days of sale contract.	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 days of the contract award and prior to the issuance of the timber satisfies.						
•	All Information must be typed or printed except for written signature:	s.					
Ple	Please Check Appropriate Categories:						
1.	My business is organized as (you must check <u>one</u> of the boxes be A. Sole Proprietorship (individual) B. Partnership C. Corporation	A. Sole Proprietorship (individual) B. Partnership					
3.	 A. ☐ I certify that my business is a sole proprietorship and it has no entered worker's Compensation Laws. B. ☐ I certify that my business has satisfied its obligation to the Worker's Compensation (BWC-337, Rev. 5/96). I will provide a copy award. (For questions or a copy of the BWC-337, please call the C. ☐ I certify that my business has a Worker's Compensation Policy. days of the contract award. 3. If you have checked item 2(A) or 2(B), you must indicate the number of the contract award. 	 A.					
	Full-time Employees Part-time Employees						
Nam	Name of Business Federal I	Federal ID (or) Social Security No.					
	Address Telephor (e)					
City	City State ZIP						
I he	I hereby certify that the above information is true and correct. I agree	to notify the Michigan DNRE of any changes that					

Date

occur in factors affecting my coverage during any of my present and future operations.

Signature of Owner or Authorized Representative

Title