

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #5140

SCHEDULED SALE DATE AND TIME: 11:00 a.m. (local time) on July 9, 2014. 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:

WOODCOCK WOODS (73-006-14-01) / T16N, R02E, SEC. 05, NENW, NWNW.

T16N, R02E, SEC. 06, SWNE, SWSE, NWSE.

Midland County, Advertised Price \$8,251.15, 60.0 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.

ATHEY AVE OAK (73-012-14-01) / T20N, R03W, SEC. 04, SE1/4...

Clare County, Advertised Price \$5,797.00, 82.0 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.

OUTBACK MIX (73-023-13-01) / T18N, R01E, SEC. 01, NE1/4.

T18N, R02E, SEC. 06, NW1/4, NWSW.

T18N, R02E, SEC. 18, NWNW, SENW, SWNE.

Gladwin County, Advertised Price \$15,316.00, 76.0 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.

BID INSTRUCTIONS (VER. 06/06/2013):

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 July 9, 2014. 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 (6/13)

If conditions permit, the sealed bids will be publicly opened and posted at the time and place set in the prospectus.

If a bidder, present at a bid opening, has submitted bids on more than one sale, that bidder may withdraw their unopened bid envelopes after being declared the successful bidder on one sale.

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

WOODCOCK WOODS (73-006-14-01)

T16N, R02E, SEC. 05; T16N, R02E, SEC. 06.

Midland County (Advertised Price \$8,251.15)

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*	ADVERTISED PRIC	
Pulpwood			
Mixed Aspen	390.00 Cords	\$	14.20 / Cord
Mixed Hardwood	64.00 Cords	\$	9.25 / Cord
Red Maple	237.00 Cords	\$	8.95 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 22.07 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 \$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

40%

02

60%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2017.

Sale Specific Conditions & Requirements

Sale Name: Woodcock Woods Sale Number: 73-006-14-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

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

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, except for oak, black cherry, paper birch, or trees marked with green paint. Additionally within Unit 2 do not cut or damage any red maple trees that are eight (8) inches or greater in diameter measured at a point four and one-half (4-1/2) feet above ground level.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

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

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/05)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. 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 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

4.1.3 - Slash and earthen piles (8/04)

Piles or windrows of earth along roads and landings that have been widened or constructed shall be leveled. Slash from road maintenance or construction, including stumps, shall be dispersed throughout the sale.

4.1.5 - Culverts (5/14)

Roads require the installation of two culverts for cross drainage or at natural drainage-ways. Two required culvert placement locations are identified on the map and have been flagged with pink ribbon on the ground. They shall be installed prior to hauling. The DNR shall provide the culverts and filter cloth. They are to be picked up by the Purchaser at the Gladwin Field Office. The Purchaser shall be responsible for providing 20 yards of 23 A processed gravel. Each culvert is to be properly installed and covered with 10 yards of gravel. Sand will be available on site.

4.1.12 - No new roads (1/12)

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

4.2 - Maintenance

4.2.3 - Road maintenance (8/13)

The following road maintenance is required: Within 60 days of completion of hauling, or if no hauling occurs for 60 days, the road must be maintained and graded. This includes cleaning of drainage areas, grading, crowning and filling with gravel, if necessary. Damages will be assessed if grading/repair does not occur.

4.2.6 - Water diversion ditches (8/13)

Water diversions must be constructed along haul routes prior to hauling. The diversion ditches must be excavated to an elevation approximately 1 foot lower than the center of the road. Soil cannot be piled. Diversion locations and dimensions will be specified by the timber sale administrator.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference between the Purchaser and sale administrator is required prior to beginning a Payment Unit to determine landing locations. The Unit Manager or his/her representative must be contacted at least 10 days in advance to schedule the conference.

5.1.4 - Post-sale conference (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

5.2.2 - 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 approved by the Unit Manager or his/her representative, cutting and skidding are limited to the period of 01/01 to 03/15. This restriction is to limit harvest to the dormant season.

5.2.40 - Pathway protection (10/10)

The Midland to Mackinaw hiking trail is shown on the Timber Sale Map. Do not cut trees or damage posts with blue pathway markers. Maintain a 20-foot wide slash, debris, and rut free zone daily, using the pathway as the centerline.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

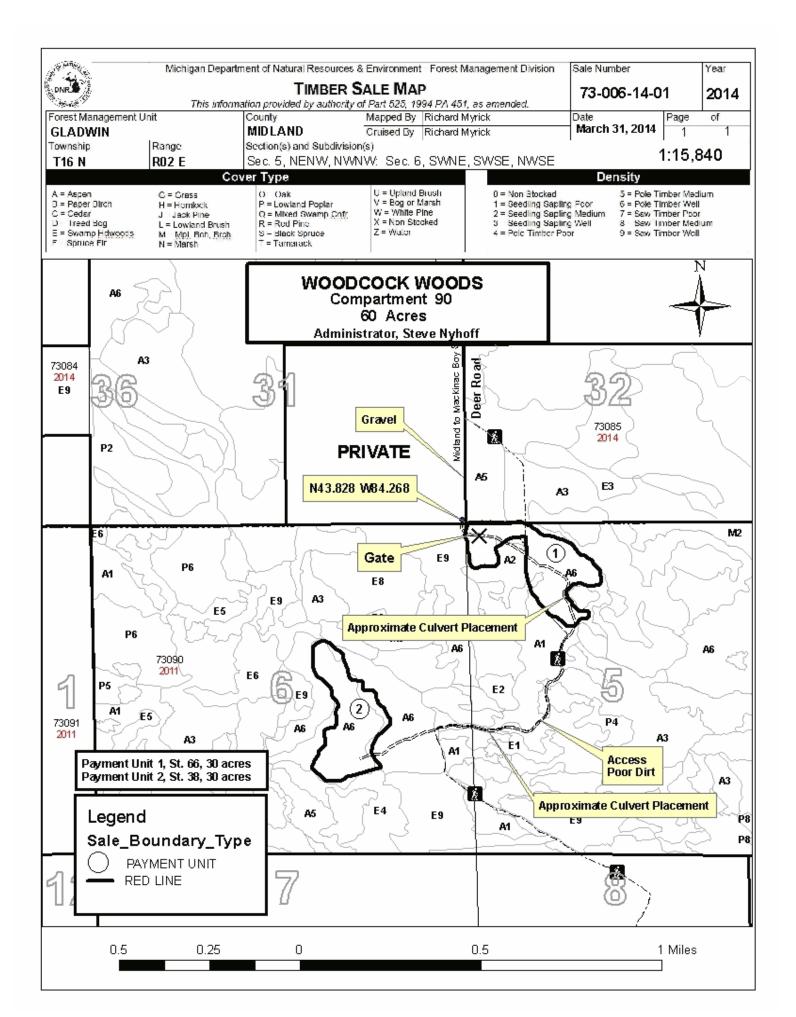
Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the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

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (3/13)

All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit Manager or his/her representative who will notify the Wildlife Biologist so an on-site evaluation and recommendation can be made, if necessary.

Section Name: Sale Specific Current as of 5/20/2014 11:23:55AM



TIMBER SALE INFORMATION

ATHEY AVE OAK (73-012-14-01)

T20N, R03W, SEC. 04.

Clare County (Advertised Price \$5,797.00)

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	ESTIMATED UNITS*	ADVERTISED PRI	
Sawlogs			
Red Pine	17.00 MBF	\$	105.00 / MBF
Pulpwood			
Mixed Oak	391.00 Cords	\$	6.00 / Cord
Red Pine	30.00 Cords	\$	35.00 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$616.00:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PR	
Pulpwood			
Jack Pine	4.00 Cords	\$	14.00 / Cord
Other C. Sp.	112.00 Cords	\$	5.00 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 12.26 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 \$1,000.00 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	10%
02	80%
03	10%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 12/31/2015.

Sale Specific Conditions & Requirements

Sale Name: Athey Ave Oak Sale Number: 73-012-14-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary and Payment Unit boundaries are marked and identified by blue and red paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with red paint. (double slash marks) Red 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) 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 this includes all dead oak. Do not cut or damage any white pine trees or red pine trees.

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. In Addition cut all aspen, jack pine, cherry and dead oak 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.

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

Within Payment Unit(s) 1, all red pine trees which meet minimum piece specifications in 2.2 Utilization, within designated plantation rows are designated for cutting. Designated plantation rows are every third row. Begin with the third row in from the outside of the plantation, then continue every third row. Because of the variability of row direction, it shall be the responsibility of the producer to maintain the third row sequence. Do not cut or damage any white pine or mixed hardwood trees.

2.1.11 - Description of timber note (2/04)

Note that Other Comm Sp = dead oak.

2.2 - Utilization

2.2.2 - Chipping required (5/14)

Payment Units 2 and 3 must be chip harvested in order to prevent the spread of oak wilt which has been confirmed within these units. No roundwood can be produced from these units, all harvested trees must be whole tree chipped.

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 the sale area, if more than 40% 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 \$300.00 dollars 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

4.2 - Maintenance

4.2.3 - Road maintenance (8/13)

The following road maintenance may be required. Within 60 days of completion of hauling, or if no hauling occurs for 60 days, the road must be maintained and graded. This includes cleaning of drainage areas, grading, crowning and filling with gravel, if necessary.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - 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 20 feet back from the blue paint line.

5.2.3 - Operating Restrictions

5.2.3.4 - Oak wilt restriction (6/10)

Within Payment Unit(s) 3 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.

5.4 - 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.

7 - Other Conditions

7.2 - Extensions

7.2.2 - No extensions (3/09)

There will be no extensions granted on this contract. This is a oak wilt salvage sale.

7.2.3 - Salvage extension (6/13)

This is a salvage sale with a short contract length. The sale must be harvested promptly. One (1), twelve (12) month extension can be applied to one (1) other State Forest Timber Sale Contract owned by the purchaser or owned by one (1) designated sub-contractor of the Purchaser that works this contract. To qualify, the contract expiration date of the contract to be extended must be within twelve (12) months from the issue date of this contract. If this is the first extension on the other State Forest Timber Sale Contract, then the 5% extension fee will be waived. If this is an additional extension, the 10% fee will be reduced to 5%. The salvage extension must be used before this contract is closed-out. This specification does not alleviate the purchaser from any contractual obligations of the extended State Forest Timber Sale Contract. Per General Condition & Requirement 7.2, extensions are at the sole discretion of the DNR.

7.3 - Contract Modifications

7.3.2 - Modification for oak wilt (2/05)

Within the sale area, there may be patches of oak wilt. If oak wilt is identified within the sale area, this contract may be modified. The following modifications could occur: time of cutting, species to cut, volume to harvest, or various others dealing with the treatment of oak wilt. If a species is not specified in this contract, it shall be paid for at the average price received for that species and product.

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

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

Section Name: Sale Specific Current as of 5/28/2014 7:55:49AM



Rollway Lak

17

Tuohy Lak

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 73-012-14-01

Year 2014

Page Forest Management Unit County Marked & Cruised By T. GALLAGHER 04/21/2014 CLARE **GLADWIN UNIT** Mapped By T. GALLAGHER

Township Range Section(s) and Subdivision(s) Timber Sale Administrator: Tim Gallagher **T20N** R03W

Scale: |...1 inch......| = 1/4 mile

A = Aspen G = Grass O = Oak

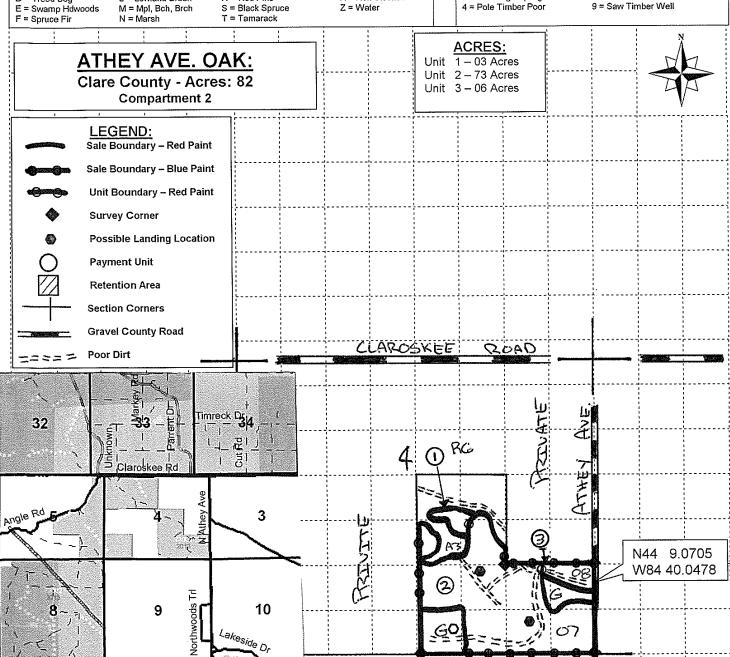
- B = Paper Birch H = Hemlock C = Cedar J = Jack Pine D = Treed Bog L = Lowland Brush
- P = Lowland Poplar Q = Mixed Swamp Cnfr R = Red Pine

Cover Type

- U = Upland Brush V = Bog or Marsh W = White Pine X = Non Stocked
- Density 0 = Non Stocked
- 1 = Seedling Sapling Poor 2 = Seedling Sapling Medium 3 = Seedling Sapling Well
- 5 = Pole Timber Medium 6 = Pole Timber Well 7 = Saw Timber Poor

PR 4030-1b (Rev. 05/24/2007)

8 = Saw Timber Medium 9 = Saw Timber Well



¹Lake

15

16

Meredith Grade

TIMBER SALE INFORMATION

OUTBACK MIX (73-023-13-01)

T18N, R01E, SEC. 01; T18N, R02E, SEC. 06; T18N, R02E, SEC. 18.

Gladwin County (Advertised Price \$15,316.00)

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	ESTIMATED UNITS*	<u>AD\</u>	/ERTISED PRICE
Sawlogs			
Mixed Oak	7.00 MBF	\$	141.00 / MBF
Red Maple	53.10 MBF	\$	59.00 / MBF
Red Pine	15.30 MBF	\$	125.00 / MBF
Pulpwood			
Mixed Aspen	85.00 Cords	\$	15.90 / Cord
Red Maple	528.00 Cords	\$	7.75 / Cord
Red Pine	36.00 Cords	\$	43.95 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$2,257.90:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Sawlogs Mixed Aspen	18.10 MBF	\$	38.00 / MBF
Pulpwood			
Jack Pine	34.00 Cords	\$	18.50 / Cord
Mixed Oak	30.00 Cords	\$	8.85 / Cord
Paper Birch	18.00 Cords	\$	13.40 / Cord
White Ash	24.00 Cords	\$	18.10 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 14.19 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 **\$1,000.00** 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	41%
02	6%
03	9%
04	9%
05	9%
06	26%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 09/30/2017.

Sale Specific Conditions & Requirements

Sale Name: Outback Mix Sale Number: 73-023-13-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary and Payment Unit boundaries are marked and identified by blue, red and/or 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. The painted boundary line trees are not Included Timber and are to be protected. Yellow painted trees designating an interior Payment Unit boundary shall not be cut.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 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. Do not cut any trees marked with green paint.

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

Within Payment Unit(s) 2, 3, 4 and 5, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, within Payment Units 2, 3, 4 and 5, all aspen, ash and jack pine trees are designated for cutting, regardless of merchantability.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area 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 the sale area, if more than 50% 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 utilized or scattered into the payment units. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge, or reserved for road closure, at the direction of the Sale Administrator. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic within 60 days of completion of hauling. Overgrown roads

that are reopened shall be considered new roads. These roads must be rendered impassable to cars and trucks. All stumps from road building and landing construction, as well as slash, must be reserved and placed along these roads to prohibit vehicular movement. Contact the sale administrator for specific details of design and placement.

4.1.8 - Road work (1) (8/07)

The following road work may be necessary:

- 1) Construction of roughly 250 yards of temporary road to Payment Units 5 and 6, from the South.
- 2) Construction and improvement of roughly 350 yards of temporary road into Payment Unit 1 from the North.

4.2 - Maintenance

4.2.3 - Road maintenance (8/13)

The following road maintenance is required: Within 60 days of completion of hauling, or if no hauling occurs for 60 days, the road must be maintained and graded. This includes cleaning of drainage areas, grading, crowning and filling with gravel, if necessary. Damages will be assessed if grading/repair does not occur.

4.4 - Access

4.4.3 - Access gate (12/08)

Access to Payment Units 1 through 3 is through a DNR access gate south of Ridge Road. The access gate must be locked AT ALL TIMES. This is to prevent someone other than the Purchaser from going through the gate and being locked in.

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 in each Payment Unit to determine landing and road locations. The Unit Manager or his/her representative must be contacted at least 2 days in advance to schedule the conference. At the Sale Administrator's discretion, all Payment Units may be addressed in one or multiple pre-sale conferences. At the Sale Administrator's discretion, pre-sale conference(s) may occur over the telephone. The Sale Administrator shall be contacted each time operations cease temporarily and/or resume in each Payment Unit.

5.1.4 - Post-sale conference (6/11)

A post-sale conference on site between the Purchaser and sale administrator is required 2 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. The Purchaser is responsible for contacting the sale administrator to arrange this conference.

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. No slash may exceed 24 inches in height. Slash shall be scattered evenly throughout each Payment Unit, and not left in piles or windrows. Slash on landings shall be scattered back into the Payment Units.

5.2.1.8 - Slash height (12/08)

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

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

5.2.3 - Operating Restrictions

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1 through 5, unless approved by the Unit Manager, cutting, skidding, and hauling are limited to the period of September 1 to October 31, and to the period of January 1 through March 15. This restriction is because of seasonally flooded soils.

5.2.3.11 - Coppice regeneration protection (4/10)

Timber harvesting in any Payment Unit must be completed before significant aspen sprouting occurs in that Payment Unit so as to minimize damage to the new regeneration. Any post harvest operations, such as chipping, must be completed

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

5.2.4 - Dead and Down Creation

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

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

5.2.32 - Decking/landing restoration (9/13)

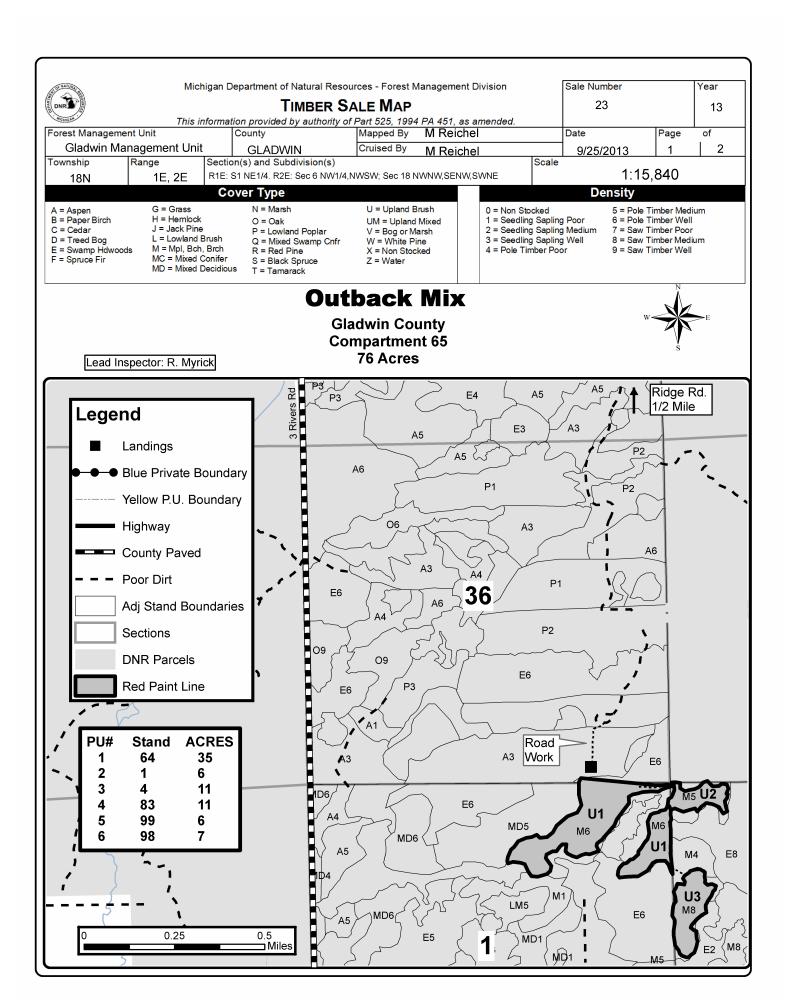
All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to ensure the proper regeneration of the stand. Wood debris, chips and "cookies" from trimmings must be removed or scattered, and may not be windrowed on the edge.

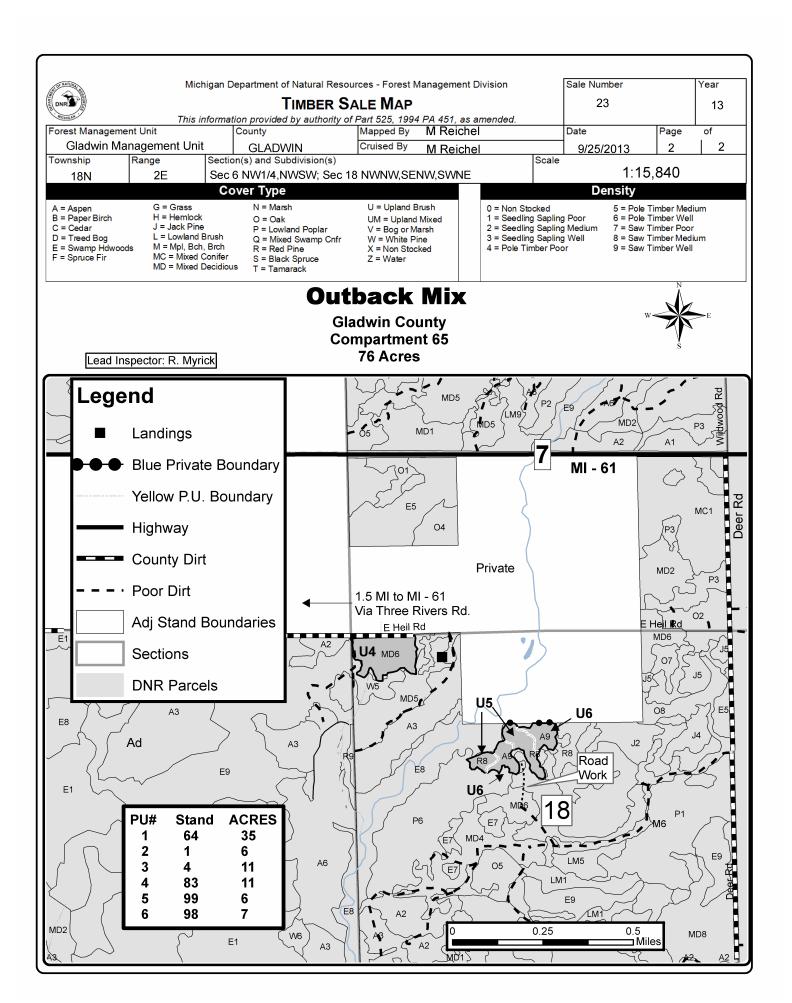
5.4 - Soil Protection

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 2/12/2014 9:45:50AM





BID FORM

GLADWIN MANAGEMENT UNIT GLADWIN OFFICE

<u>WOODCOCK WOODS (73-006-14-01)</u> T16N, R02E, SEC. 05; T16N, R02E, SEC. 06, Midland County

In response to the notice of sale to be held 11:00 a.m. (local time) on July 9, 2014, 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*	ADV	ERTISED PRICE	BID P	RICE
Pulpwood	·		_		
Mixed Aspen	390.00 Cords	\$	14.20 / Cord	\$	/ Cord
Mixed Hardwood	64.00 Cords	\$	9.25 / Cord	\$	/ Cord
Red Maple	237.00 Cords	\$	8.95 / Cord	\$	/ Cord

I understand that any or all bids may be rejected. All bids must be signed and all bid items must be bid or the bid form may be rejected. I also understand that consideration and awarding a contract will be based upon my past performance and ability to complete the contract based upon equipment and staffing subject to my control.

	FEDERAL ID:	or SOCIAL SEC	CURITY 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	mber :	Email	(optional):			

^{*} The total volume is statistically estimated within plus (+) or minus (-) 22.07 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.



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:	2

•	This verification must be completed and submitted within 21 d sale contract.	lays 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.					
•	All Information must be typed or printed except for written sign	natures.				
Ple	ease Check Appropriate Categories:					
1.	My business is organized as (you must check <u>one</u> of the both A. ☐ Sole Proprietorship (individual) B. ☐ Partnership C. ☐ Corporation	oxes below):				
2.	You must check one of the boxes below:					
	 A. I certify that my business is a sole proprietorship and it has Worker's Compensation Laws. 	as no employees but the sole proprietor. I am not subject to the				
		the Worker's Compensation Act through the use of an approved a copy of the Notice of Exclusion within 21 days of the contract call the Worker's Compensation Bureau at 517-322-1195).				
	C. I certify that my business has a Worker's Compensation F days of the contract award.	Policy. I will provide an original Certificate of Insurance within 21				
3.	If you have checked item 2(A) or 2(B), you must indicate th than yourself, including family members and active partners					
	Full-time Employees	Part-time Employees				
Nam	me of Business	Federal ID (or) Social Security No.				
Addr	dress (elephone)				
City	y State Z	IP				
I he	ereby certify that the above information is true and correct. I	agree to notify the Michigan DNRE of any changes that				

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

Date

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

Signature of Owner or Authorized Representative

Title

TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

ATHEY AVE OAK (73-012-14-01) T20N, R03W, SEC. 04, Clare County

In response to the notice of sale to be held 11:00 a.m. (local time) on July 9, 2014, 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	<u>ESTIMATE</u>	ESTIMATED UNITS* ADVERTISED PRICE BID PR		ESTIMATED UNITS* ADVERTISED PRICE BID PRI		ESTIMATED UNITS* ADVERTISED PRICE BID PRICE		MATED UNITS* ADVERTISED PRICE BID PRIC		STIMATED UNITS* ADVERTISED PRICE BID PRICE		ADVERTISED PRICE		RICE
Sawlogs														
Red Pine	17.00	MBF	\$	105.00 / MBF	\$	/ MBF								
Pulpwood														
Mixed Oak	391.00	Cords	\$	6.00 / Cord	\$	/ Cord								
Red Pine	30.00	Cords	\$	35.00 / Cord	\$	/ Cord								
In addition, the successful bidder	agrees to purchase	the following s	species at t	he indicated advertise	ed price for a to	otal value of \$616.								

: 00

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>AD\</u>	ADVERTISED PRICE		
Pulpwood					
Jack Pine	4.00 Cords	\$	14.00 / Cord		
Other C. Sp.	112.00 Cords	\$	5.00 / Cord		

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	L SECURITY NUMBER:	:				
Company or individu	Company or individual bidding:						
Company represent	Company representative's name:						
Address:	Address:						
City:	State:	Zip:					
, <u> </u>	State: CE THE PERSONALIZED LABEL						
F AVAILABLE, PLEASE PLAC		FROM YOUR PROSPE					

^{*} The total volume is statistically estimated within plus (+) or minus (-) 12.26 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.



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, then Notice of Exclusion or Certificate of Insurance must be submitted within 21 days of the contract award and prior to the issuance of the timber sale contract.						
•	All Information must be typed or printed except for written signatures.						
Ple	Please Check Appropriate Categories:						
1.	 My business is organized as (you must check <u>one</u> of the boxes below): A. ☐ Sole Proprietorship (individual) B. ☐ Partnership C. ☐ Corporation 						
2.	 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.							
	Full-time Er	mployees			Part-time Employees		
Name of Business			Federal ID (or) Social Security No.				
Address			Telephor	ne)			
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

OUTBACK MIX (73-023-13-01)

T18N, R01E, SEC. 01; T18N, R02E, SEC. 06; T18N, R02E, SEC. 18, Gladwin County

In response to the notice of sale to be held 11:00 a.m. (local time) on July 9, 2014, 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\	/ERTISED PRICE	BID PRICE	
Sawlogs						
Mixed Oak	7.00	MBF	\$	141.00 / MBF	\$	_ / MBF
Red Maple	53.10	MBF	\$	59.00 / MBF	\$	_ / MBF
Red Pine	15.30	MBF	\$	125.00 / MBF	\$	_ / MBF
Pulpwood						
Mixed Aspen	85.00	Cords	\$	15.90 / Cord	\$	/ Cord
Red Maple	528.00	Cords	\$	7.75 / Cord	\$	/ Cord
Red Pine	36.00	Cords	\$	43.95 / Cord	\$	_ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$2,257.90:

PRODUCTS & SPECIES	<u>ESTIMATE</u> I	ESTIMATED UNITS*		ERTISED PRICE
Sawlogs				
Mixed Aspen	18.10	MBF	\$	38.00 / MBF
Pulpwood				
Jack Pine	34.00	Cords	\$	18.50 / Cord
Mixed Oak	30.00	Cords	\$	8.85 / Cord
Paper Birch	18.00	Cords	\$	13.40 / Cord
White Ash	24.00	Cords	\$	18.10 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 14.19 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:

	Company or individual bidding:			<u></u>			
	Company representative's name:						
	Address:						
	City:	State:	Zip:				
F AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.							
Individual	dual or company representative's signature: Date:						
Phone nu	one 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, 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 e	xcept for written si	gnatures.			
Ple	Please Check Appropriate Categories:					
1.	 My business is organized as (you must check <u>one</u> of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation 					
2.	 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. 					
0.	 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			
000	I hereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that occur in factors affecting my coverage during any of my present and future operations. Signature of Owner or Authorized Representative					

Date