



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #5224

SCHEDULED SALE DATE AND TIME: 2:00 p.m. (local time) on October 1, 2014.

LOCATION: SHINGLETON MGMT UNIT, PO BOX 67 M-28 WEST, SHINGLETON, MI 49884.

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

HORIZONTAL PINE (41-011-14-01) / T46N, R16W, SEC. 21, NENE.

T46N, R16W, SEC. 22, NWNW, SENW, SWNW, NESW, SWSE, NWSE.

T47N, R16W, SEC. 31, SESE, SWSE.

T47N, R16W, SEC. 31, SESE, SWSE.

Schoolcraft County, Advertised Price \$5,723.50, 101.0 Acres

SALE NOTE: This is a salvage sale from a windstorm that occurred during the fall of 2013. All volumes are estimated, and all trees will be scaled at the landing.

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.

BULLETS, PLANES AND CONTRACTOR (41-018-12-01) / T48N, R13W, SEC. 02, NWNE, NENW.

T49N, R13W, SEC. 22, N1/2NE, NESE, NESW; 23 SWNW, NWSW.

T49N, R13W, SEC. 27, E1/2NE, SWNW, NWSW; 35S1/2SW, SWSE.

Alger County, Advertised Price \$21,744.40, 187.0 Acres

SALE NOTE: Access to Units 6 and 7 will require crossing two (2) private land owners, one being Forestland Group. The Purchaser will need to secure a license agreement with the Forestland Group prior to harvesting the sale.

Within payment Units 1, 4, and 9, harvesting is not permitted during April 15 to July 15 due to bark slippage.

The Old Seney Road is a snowmobile trail and is shown on the Timber Sale Map. The snowmobile trail may not be used for any timber sale operations from December 1 to March 31.

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 private, other public, or state forest land.

BID INSTRUCTIONS (VER. 09/08/2014):

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

Bids must be received by the Unit Manager, SHINGLETON OFFICE, PO BOX 67 M-28 WEST, SHINGLETON, MI 49884, no later than 2:00 p.m. (local time) on October 1, 2014. For further information concerning this sale, contact Robert Burnham at 906-452-6227 extension 240.

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 (9/14)

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 expiration 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

HORIZONTAL PINE (41-011-14-01)

T46N, R16W, SEC. 21; T46N, R16W, SEC. 22; T47N, R16W, SEC. 31.

Schoolcraft County (Advertised Price \$5,723.50)

SALE NOTE: This is a salvage sale from a windstorm that occurred during the fall of 2013. All volumes are estimated, and all trees will be scaled at the landing.

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 scaled, 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:

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|-------------------------|-------------------------|
| Sawlogs | | |
| White Pine | 52.00 MBF | \$ 33.00 / MBF |
| Pulpwood | | |
| Mixed Hardwood | 45.00 Cords | \$ 13.45 / Cord |
| Mixed Softwood | 39.00 Cords | \$ 16.15 / Cord |
| White Pine | 239.00 Cords | \$ 11.60 / Cord |

* 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:

| <u>PAYMENT UNIT NUMBER</u> | <u>PERCENT OF TOTAL SALE VALUE</u> |
|----------------------------|------------------------------------|
| 01 | 66% |
| 02 | 27% |
| 03 | 7% |
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 12/31/2015.

Sale Specific Conditions & Requirements

Sale Name: Horizontal Pine Sale Number: 41-011-14-01

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, 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.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 2 and 3, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. Also cut all spruce, fir and hardwood. In addition, all blown down trees are designated for cutting which meet minimum piece specifications in 2.2-Utilization.

2.1.4 - Species designation unit(s) (12/08)

Within Payment Unit(s) 1, all blown down trees are designated for cutting which meet minimum piece specifications in 2.2 - Utilization.

3 - Payments

3.2 - Scaled Sales

3.2.1 - Scale location (2/04)

Forest products will be placed for measurement in a mutually agreed area. This area will be determined at the pre-sale meeting. Forest Products cannot be removed until they have been scaled by the DNR.

3.4 - Damaged Timber

3.4.2 - Special Protection Trees (4/14)

The Purchaser shall not cut live or dead special protection trees within cutting units or clearings. Special protection trees are hemlock. If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay \$100 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

4.1.3 - 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.

4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. These roads must be rendered impassable to cars and trucks. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. These stumps must be scattered along the road system to prohibit vehicular movement. Contact the sale administrator for specific details of design and placement.

4.3 - Public Right-of-Way

4.3.2 - County R-O-W (12/06)

The county must be contacted prior to crossing or harvesting in the county road R-O-W. This applies to Payment Unit(s) 2 and 3, and County Road 454.

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. The Unit Manager or his/her representative must be contacted at least 5 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

5.2.1 - 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.

5.2.1.2 - Slash Removal

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

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

5.2.2 - 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.

5.2.32 - 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 away from landing and loading areas and may not be windrowed on the edge.

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

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

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

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

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.

7 - Other Conditions

7.3 - Contract Modifications

7.3.1 - Emerald Ash Borer

7.3.1.2 - Emerald ash borer, ash or firewood on sale (2/05)

There is ash and/or "firewood" in this sale and it is located within an emerald ash borer quarantined area. The Director of the Michigan Department of Agriculture (MDA) by the authority of Act No. 72 of the Public Acts of 1945, as amended, and Quarantine Regulation No. 620, has promulgated this quarantine to prevent the further spread of this pest and sets forth: definitions, regulated articles, regulated areas, conditions of movement, violations and penalties, and special exemptions. The Purchaser must comply with this quarantine. Contact the MDA for further information.

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from windthrow. 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.



TIMBER SALE MAP

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

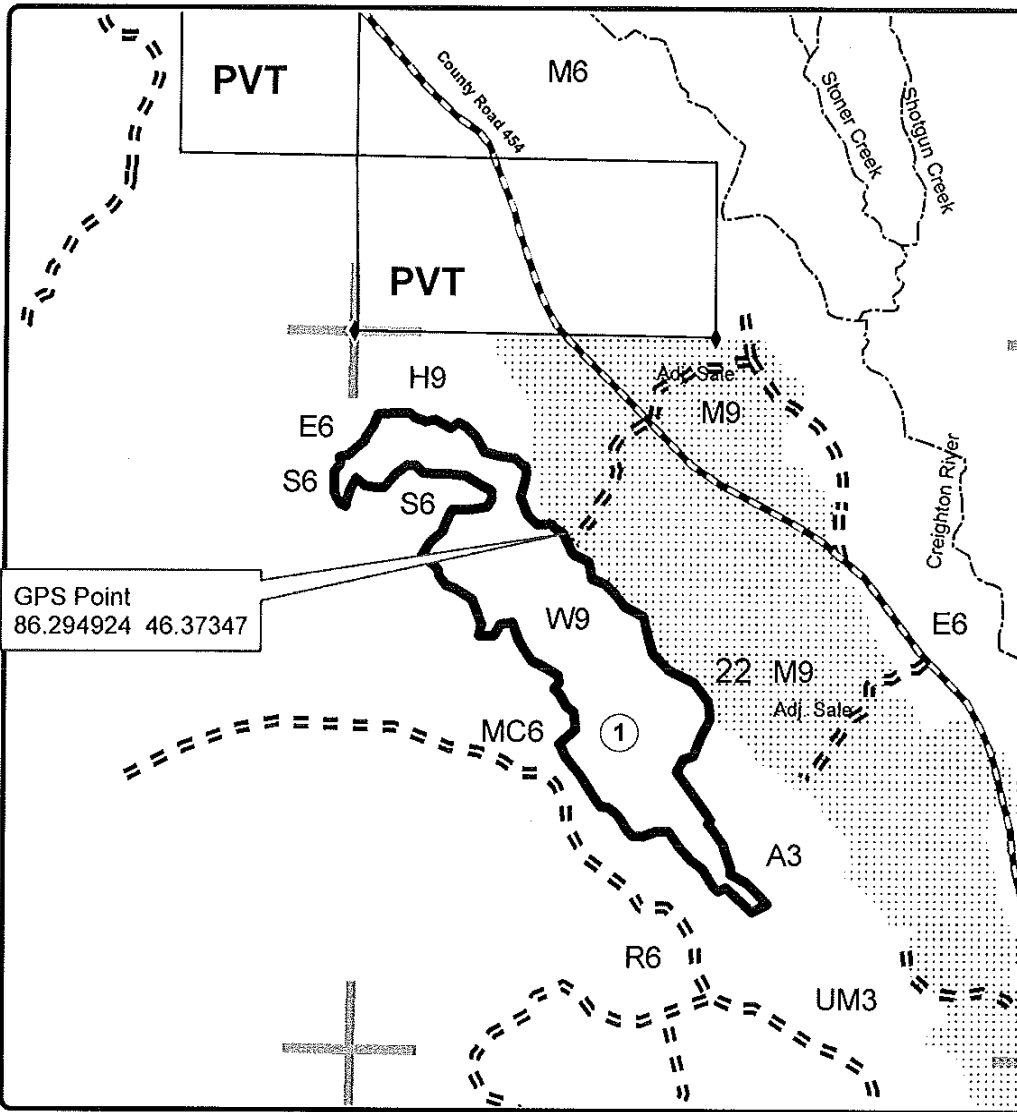
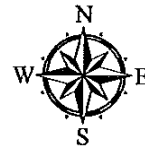
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|-------------|------|
| Sale Number | Year |
| 41-011 | 14 |

| | | | | | |
|--|-----------------------|---|--------------------|-----------|---------|
| Forest Management Unit Shingleton FMU | County Schoolcraft | Mapped By Rick Hill | Date 08/13/2014 | Page 1 | of 2 |
| Township 46N | Range 16W | Section(s) and Subdivision(s) NENE of 21 NWNW, SENW, SWNW, NESW, NWSE, SWSE of 22 | Scale 1:15,840 | | |

| Cover Type | | | | Density | |
|-------------------|----------------------|-------------------------|-------------------|-----------------------------|------------------------|
| A = Aspen | H = Hemlock | N = Marsh | U = Upland Brush | 0 = Non Stocked | 5 = Pole Timber Medium |
| B = Paper Birch | J = Jack Pine | O = Oak | UM = Upland Mixed | 1 = Seedling Sapling Poor | 6 = Pole Timber Well |
| C = Cedar | L = Lowland Brush | P = Lowland Poplar | V = Bog or Marsh | 2 = Seedling Sapling Medium | 7 = Saw Timber Poor |
| D = Tread Bog | LM = Lowland Mixed | Q = Mixed Swamp Conifer | W = White Pine | 3 = Seedling Sapling Well | 8 = Saw Timber Medium |
| E = Swamp Hdwoods | M = Mpl, Bch, Brch | R = Red Pine | X = Non Stocked | 4 = Pole Timber Poor | 9 = Saw Timber Well |
| F = Spruce Fir | MC = Mixed Conifer | S = Black Spruce | Z = Water | | |
| G = Grass | MD = Mixed Deciduous | T = Tamarack | | | |

| PU | Acres |
|----|-------|
| 1 | 67 |
| 2 | 27 |
| 3 | 07 |

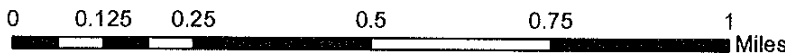
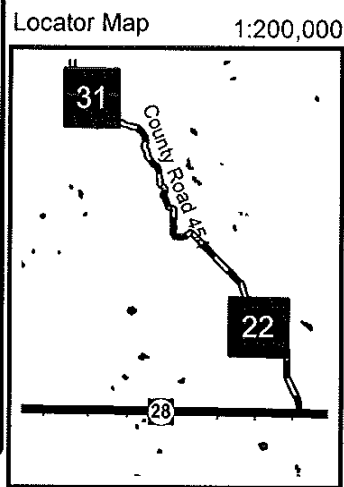
Horizontal Pine Compartment 157 and 165 101 Acres



Legend

Sale Boundary

- Against State (Red)
- Payment Unit (Yellow)
- Private Line (Blue)
- Good Dirt
- == Poor Dirt
- Section Corners
- Stream
- State Land Boundary
- ▨ Adjacent Timber Sale



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TIMBER SALE MAP

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

| | |
|-------------|------|
| Sale Number | Year |
| 41-011 | 14 |

| | | | | | | |
|------------------------|-------------|------------|-----------|------------|------|----|
| Forest Management Unit | County | Mapped By | Rick Hill | Date | Page | of |
| Shingleton FMU | Schoolcraft | Cruised By | Scaled | 08/13/2014 | 2 | 2 |

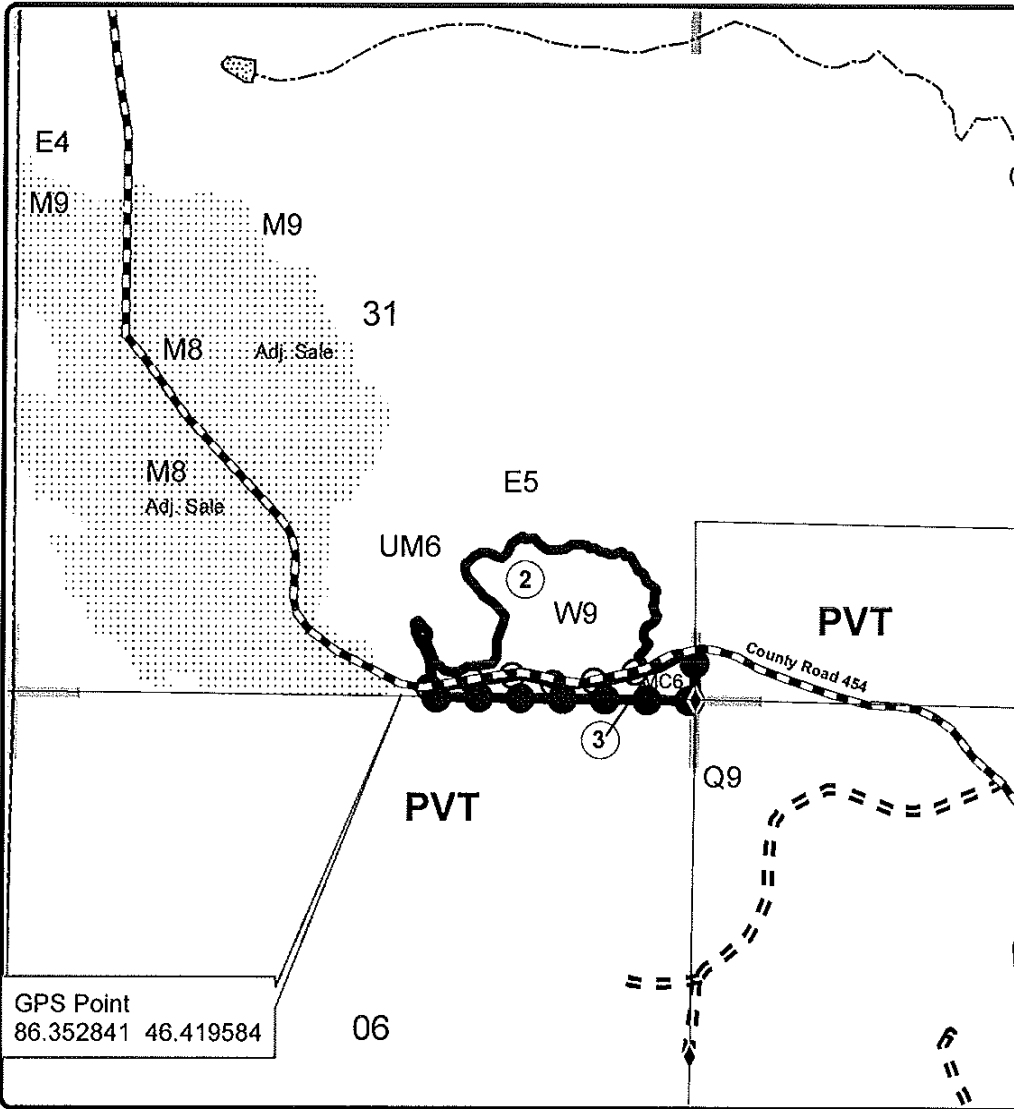
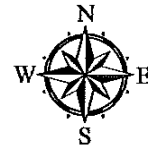
| | | | |
|----------|-------|-------------------------------|----------|
| Township | Range | Section(s) and Subdivision(s) | Scale |
| 47N | 16W | SWSE, SESE of 31 | 1:15,840 |

| Cover Type | | | | Density | |
|-------------------|----------------------|-------------------------|-------------------|-----------------------------|------------------------|
| A = Aspen | H = Hemlock | N = Marsh | U = Upland Brush | 0 = Non Stocked | 5 = Pole Timber Medium |
| B = Paper Birch | J = Jack Pine | O = Oak | UM = Upland Mixed | 1 = Seedling Sapling Poor | 6 = Pole Timber Well |
| C = Cedar | L = Lowland Brush | P = Lowland Poplar | V = Bog or Marsh | 2 = Seedling Sapling Medium | 7 = Saw Timber Poor |
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| F = Spruce Fir | MC = Mixed Conifer | S = Black Spruce | Z = Water | | |
| G = Grass | MD = Mixed Deciduous | T = Tamarack | | | |

| PU | Acres |
|----|-------|
| 1 | 67 |
| 2 | 27 |
| 3 | 07 |

Horizontal Pine

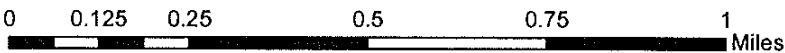
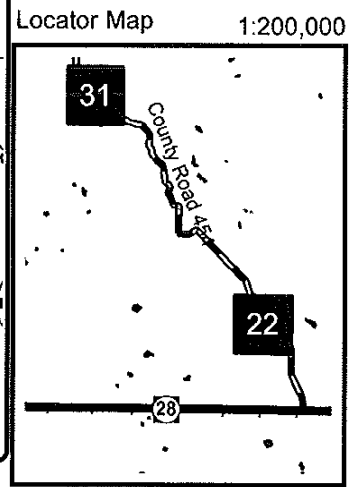
Compartment 157 and 165
101 Acres



Legend

Sale Boundary

- Against State (Red)
- Payment Unit (Yellow)
- Private Line (Blue)
- Good Dirt
- == Poor Dirt
- ▨ Lakes
- ▤ Section Corners
- ▧ Adjacent Timber Sale
- - - Stream



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TIMBER SALE INFORMATION

BULLETS, PLANES AND CONTRACTOR (41-018-12-01)

T48N, R13W, SEC. 02; T49N, R13W, SEC. 22; T49N, R13W, SEC. 27.

Alger County (Advertised Price \$21,744.40)

SALE NOTE: Access to Units 6 and 7 will require crossing two (2) private land owners, one being Forestland Group. The Purchaser will need to secure a license agreement with the Forestland Group prior to harvesting the sale.

Within payment Units 1, 4, and 9, harvesting is not permitted during April 15 to July 15 due to bark slippage.

The Old Seney Road is a snowmobile trail and is shown on the Timber Sale Map. The snowmobile trail may not be used for any timber sale operations from December 1 to March 31.

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 private, other public, or state forest land.

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

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|-------------------------|-------------------------|
| Sawlogs | | |
| White Pine | 34.60 MBF | \$ 40.00 / MBF |
| Pulpwood | | |
| B. T. Aspen | 161.00 Cords | \$ 16.90 / Cord |
| Black Spruce | 233.00 Cords | \$ 16.80 / Cord |
| Mixed Hardwood | 554.00 Cords | \$ 13.45 / Cord |
| W. Spruce | 133.00 Cords | \$ 12.25 / Cord |
| White Pine | 253.00 Cords | \$ 9.80 / Cord |

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$2,165.15:

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|-------------------------|-------------------------|
| Sawlogs | | |
| Red Maple | 2.10 MBF | \$ 97.00 / MBF |
| Sugar Maple | 1.80 MBF | \$ 449.00 / MBF |
| Pulpwood | | |
| Balsam Fir | 86.00 Cords | \$ 9.20 / Cord |
| Red Pine | 3.00 Cords | \$ 33.05 / Cord |
| Tamarack | 22.00 Cords | \$ 11.95 / Cord |

* The total volume is statistically estimated within plus (+) or minus (-) 14.63 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 **\$1,090.00** 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:

| <u>PAYMENT UNIT NUMBER</u> | <u>PERCENT OF TOTAL SALE VALUE</u> |
|----------------------------|------------------------------------|
| 01 | 16% |
| 02 | 4% |
| 03 | 17% |
| 04 | 16% |
| 05 | 23% |
| 06 | 11% |
| 07 | 8% |
| 08 | 1% |
| 09 | 4% |

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: Bullets, Planes And Contractor Sale Number: 41-018-12-01

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.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 3, cut all maple and aspen 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. In addition, cut all other trees that meet minimum piece specifications in 2.2 Utilization except hemlock and oak. Exception, do not cut paper birch or any green painted trees in Payment Unit 3.

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

Within Payment Unit(s) 2, 5 and 7, cut all trees which meet minimum piece specifications in 2.2 Utilization except hemlock and oak. Exceptions:

Payment Unit 2, do not cut white pine and black cherry.

Payment Unit 5, do not cut paper birch or white pine.

Payment Unit 7, do not cut black cherry or yellow birch.

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

Within Payment Unit(s) 1, 6, 8 and 9, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.1.4 - Species designation unit(s) (12/08)

Within Payment Unit(s) 4, unless marked in green paint above and below stump height all fir, spruce, aspen and white pine trees are designated for cutting which meet minimum piece specifications in 2.2 - Utilization.

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 hemlock and oak. 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 \$100 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

4.1.3 - 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.

4.1.4 - Timber removed for construction (12/09)

Trees cut or damaged in the process of pre-approved road, landing or skid trail construction will be decked in an area separate from other Designated Timber and not removed until measured by the sale administrator. Payment will be made at the specified Purchase Unit Price.

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 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 upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.2 - Fill material (4/07)

To maintain roads, fill material may be needed in areas where "holes" exist or may be expected to develop. This fill material should be placed before trucking begins. Contact the sale administrator regarding the availability of onsite sand or gravel from adjacent State-owned lands.

4.3 - Public Right-of-Way

4.3.2 - County R-O-W (12/06)

The county must be contacted prior to harvesting in the county road R-O-W. This applies to Payment Unit 5 and the Old Seney Road.

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the purchaser. If crossing Heartwood Forestland Fund IV property, a permit from The Forestland Group is required. When the sale is purchased, they should be contacted regarding crossing their property. Allow 30-60 days for permit processing. A copy of the permit should be provided to the Unit Manager by the presale conference.

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.

5.1.4 - 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.

5.2.1.2 - Slash Removal

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

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

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

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1, 4 and 9, no cutting or skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

5.2.4 - Dead and Down Creation

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

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

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

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

5.2.41 - Snowmobile trail protection (9/11)

The Old Seney Road is a snowmobile trail and is shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. The snowmobile trail may not be used for any timber sale operations from December 1 to March 31. If payment Unit 5 cannot be harvested in the snow free months because of soft soil conditions, the spec can be changed by written agreement.

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.

5.4.4 - Slope protection (2/04)

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

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (4/09)

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

7 - Other Conditions

7.3 - Contract Modifications

7.3.1 - Emerald Ash Borer

7.3.1.2 - Emerald ash borer, ash or firewood on sale (2/05)

There is ash and/or "firewood" in this sale and it is located within an emerald ash borer quarantined area. The Director of the Michigan Department of Agriculture (MDA) by the authority of Act No. 72 of the Public Acts of 1945, as amended, and Quarantine Regulation No. 620, has promulgated this quarantine to prevent the further spread of this pest and sets forth: definitions, regulated articles, regulated areas, conditions of movement, violations and penalties, and special exemptions. The Purchaser must comply with this quarantine. Contact the MDA for further information.



TIMBER SALE MAP

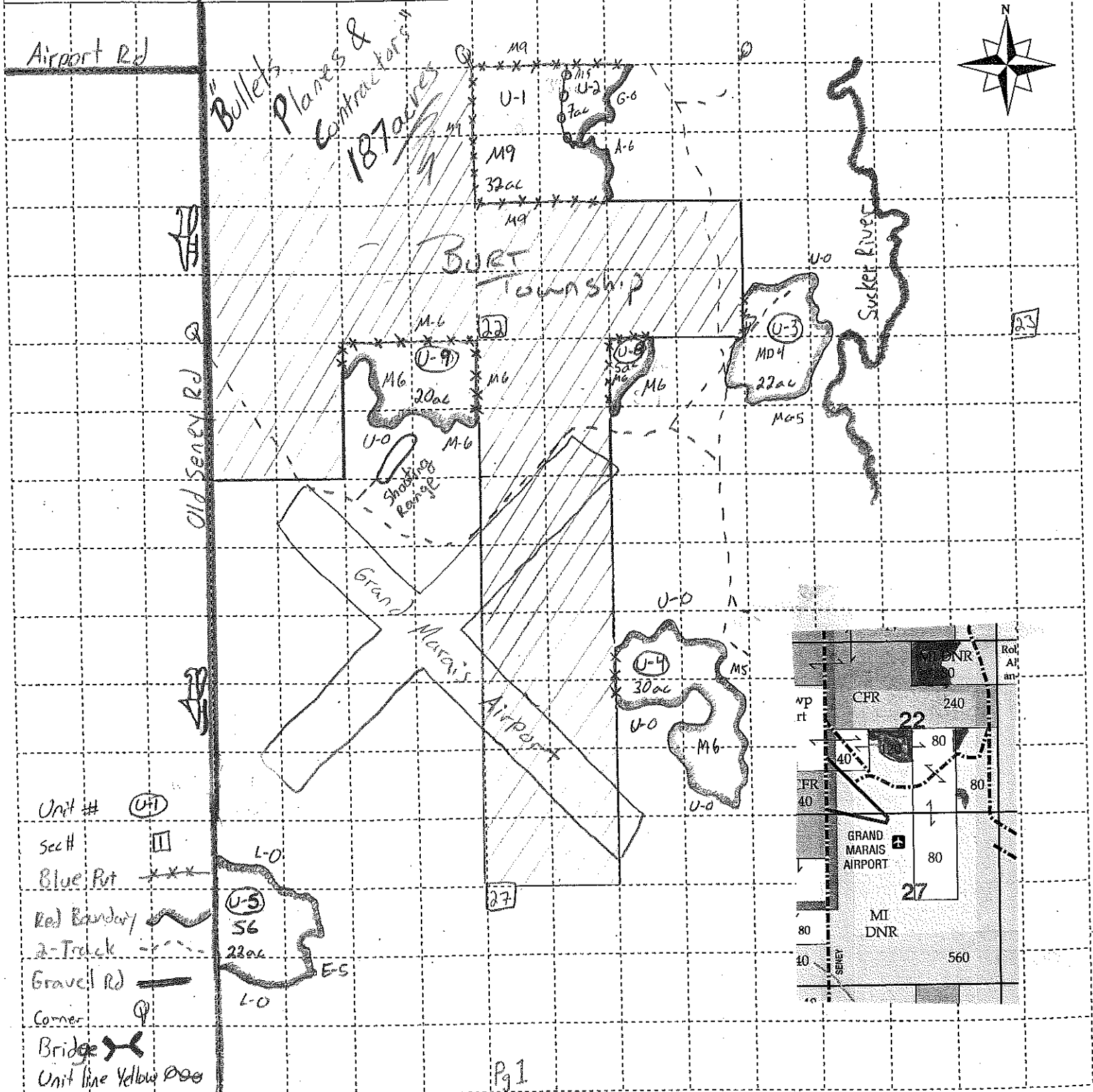
This information provided by authority of Part 525 of Act 451, PA 1994, as amended.

| | |
|--------------|------|
| Sale Number | Year |
| 44-018-12-01 | 12 |

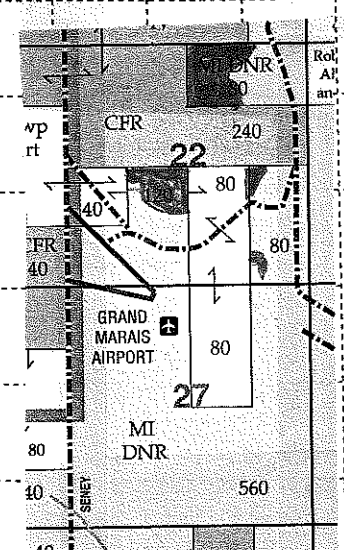
| | | | |
|------------------------|--------|--|-----------------------|
| Forest Management Unit | County | Mapped By | Cruised By |
| Shingleton | Alger | Molin | Molin Wall Contractor |
| Township | Range | Section(s) and Subdivision(s) | |
| 49N | 13W | 49N13W 2 NWNE, NE NW 49N13W 22-1/2 NE, NESE, NESW 23-SW NW, NWSW 27-E 1/2 NE, SW NW, NWSW | |

| | |
|---------------------------|---------|
| Date | Page of |
| 9-19-12 | 1 2 |
| Scale: 1" = 400' = 1 mile | |

| Cover Type | | | | Density | | | |
|-------------------|--------------------|----------------------|------------------|-----------------------------|------------------------|--|--|
| A = Aspen | G = Grass | O = Oak | U = Upland Brush | 0 = Non Stocked | 5 = Pole Timber Medium | | |
| B = Paper Birch | H = Hemlock | P = Lowland Poplar | V = Bog or Marsh | 1 = Seedling Sapling Poor | 6 = Pole Timber Well | | |
| C = Cedar | J = Jack Pine | Q = Mixed Swamp Cnfr | W = White Pine | 2 = Seedling Sapling Medium | 7 = Saw Timber Poor | | |
| D = Tread Bog | L = Lowland Brush | R = Red Pine | X = Non Stocked | 3 = Seedling Sapling Well | 8 = Saw Timber Medium | | |
| E = Swamp Hdwoods | M = Mpl, Bch, Brch | S = Black Spruce | Z = Water | 4 = Pole Timber Poor | 9 = Saw Timber Well | | |
| F = Spruce Fir | N = Marsh | T = Tamarack | | | | | |



- Unit # (U-1)
- Sec# II
- Blue Pit xxx
- Red Boundary ~~~~~
- 2-Track - - - - -
- Gravel Rd ———
- Corner ⊙
- Bridge —X—
- Unit line Yellow ooo





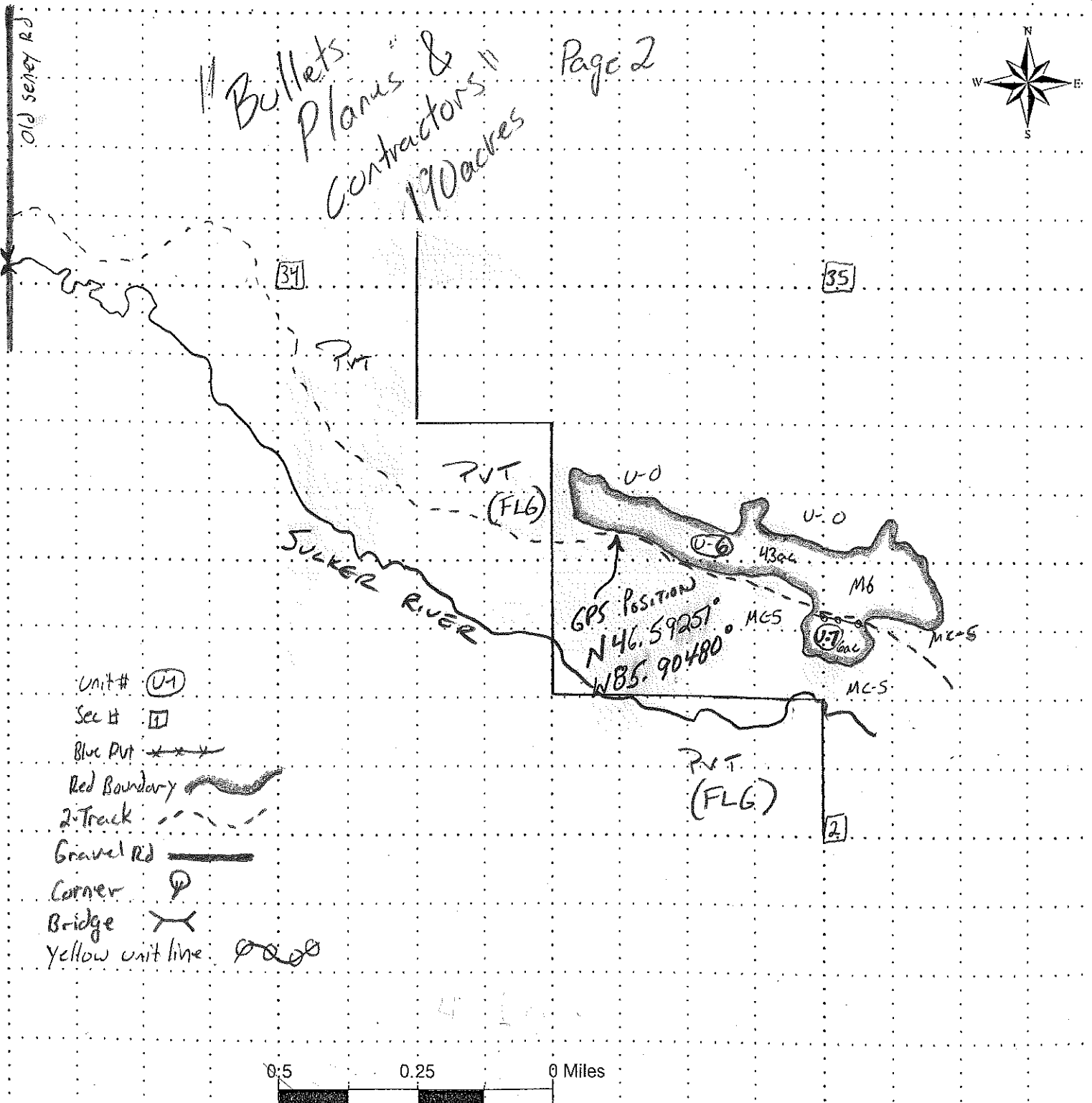
TIMBER SALE MAP

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

41-18-12-01

12

| | | | | | | |
|---|-------------------------|---|---------------------------|-----------------------------|------------------------|----------------|
| Forest Management Unit <i>Shingleton</i> | | County <i>Alger</i> | Mapped By <i>Molin</i> | Date <i>9/19/12</i> | Page <i>2</i> | of <i>2</i> |
| Township <i>49 N</i> | Range <i>13 W</i> | Section(s) and Subdivision(s) <i>48 NW 1/4 sec 35 NE NW 1/4 NE 49 NW 1/4 sec 22-1/2 NE, NESE, NESW 23-SW NW, NWSW 27-FLG NE, SW NW, NWSW 35-3/4 SW, SWSE</i> | | | | |
| Cover Type | | | Density | | | |
| A = Aspen | J = Jack Pine | O = Oak | U = Upland Brush | 0 = Non Stocked | 5 = Pole Timber Medium | |
| B = Paper Birch | K = Rock | P = Lowland Poplar | UM = Upland Mix Forest | 1 = Seedling Sapling Poor | 6 = Pole Timber Well | |
| C = Cedar | L = Lowland Brush | Q = Mixed Swamp Conifer | V = Bog or Marsh | 2 = Seedling Sapling Medium | 7 = Saw Timber Poor | |
| D = Treed Bog | LM = Lowland Mix Forest | R = Red Pine | W = White Pine | 3 = Seedling Sapling Well | 8 = Saw Timber Medium | |
| E = Swamp Hardwoods | M = Maple, Beech, Birch | S = Black Spruce | X = Non Stocked | 4 = Pole Timber Poor | 9 = Saw Timber Well | |
| F = Spruce/Fir | MC = Mixed Conifer | T = Tamarack | Y = Sand | | | |
| G = Grass | MD = Mixed Deciduous | | Z = Water | | | |
| H = Hemlock | N = Marsh | | | | | |



HORIZONTAL PINE (41-011-14-01)

T46N, R16W, SEC. 21; T46N, R16W, SEC. 22; T47N, R16W, SEC. 31, Schoolcraft County

In response to the notice of sale to be held 2:00 p.m. (local time) on October 1, 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.

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> | <u>BID PRICE</u> |
|-------------------------------|-------------------------|-------------------------|------------------|
| Sawlogs | | | |
| White Pine | 52.00 MBF | \$ 33.00 / MBF | \$ _____ / MBF |
| Pulpwood | | | |
| Mixed Hardwood | 45.00 Cords | \$ 13.45 / Cord | \$ _____ / Cord |
| Mixed Softwood | 39.00 Cords | \$ 16.15 / Cord | \$ _____ / Cord |
| White Pine | 239.00 Cords | \$ 11.60 / Cord | \$ _____ / Cord |

* 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 SECURITY NUMBER: ___ - ___ - ___

Company or individual bidding: _____

Company representative's name: _____

Address: _____

City: _____ State: _____ Zip: _____

IF AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.

Individual or company representative's signature: _____ Date: _____

Phone number : _____ Email (optional): _____



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.

Please Check Appropriate Categories:

1. My business is organized as (you **must** check one of the boxes below):
 - A. Sole Proprietorship (individual)
 - B. Partnership
 - C. Corporation
2. You **must** check one of the boxes below:
 - A. I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws.
 - B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195).
 - C. I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award.
3. If you have checked item 2(A) or 2(B), you **must** indicate the number of **both** full-time and part-time employees, other than yourself, including family members and active partners (if none, you must enter "0").

_____ Full-time Employees

_____ Part-time Employees

| | | |
|------------------|-------|-------------------------------------|
| Name of Business | | Federal ID (or) Social Security No. |
| Address | | Telephone () |
| City | State | ZIP |

I hereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that occur in factors affecting my coverage during any of my present and future operations.

Signature of Owner or Authorized Representative

Title

Date

BULLETS, PLANES AND CONTRACTOR (41-018-12-01)
T48N, R13W, SEC. 02; T49N, R13W, SEC. 22; T49N, R13W, SEC. 27, Alger County

In response to the notice of sale to be held 2:00 p.m. (local time) on October 1, 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.

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> | <u>BID PRICE</u> |
|-------------------------------|-------------------------|-------------------------|------------------|
| Sawlogs | | | |
| White Pine | 34.60 MBF | \$ 40.00 / MBF | \$ _____ / MBF |
| Pulpwood | | | |
| B. T. Aspen | 161.00 Cords | \$ 16.90 / Cord | \$ _____ / Cord |
| Black Spruce | 233.00 Cords | \$ 16.80 / Cord | \$ _____ / Cord |
| Mixed Hardwood | 554.00 Cords | \$ 13.45 / Cord | \$ _____ / Cord |
| W. Spruce | 133.00 Cords | \$ 12.25 / Cord | \$ _____ / Cord |
| White Pine | 253.00 Cords | \$ 9.80 / Cord | \$ _____ / Cord |

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$2,165.15 :

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|-------------------------|-------------------------|
| Sawlogs | | |
| Red Maple | 2.10 MBF | \$ 97.00 / MBF |
| Sugar Maple | 1.80 MBF | \$ 449.00 / MBF |
| Pulpwood | | |
| Balsam Fir | 86.00 Cords | \$ 9.20 / Cord |
| Red Pine | 3.00 Cords | \$ 33.05 / Cord |
| Tamarack | 22.00 Cords | \$ 11.95 / Cord |

* The total volume is statistically estimated within plus (+) or minus (-) 14.63 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 SECURITY NUMBER: _____

Company or individual bidding: _____

Company representative's name: _____

Address: _____

City: _____ State: _____ Zip: _____

IF AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.

Individual or company representative's signature: _____ Date: _____

Phone number : _____ Email (optional): _____



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.

Please Check Appropriate Categories:

1. My business is organized as (you **must** check one of the boxes below):
 - A. Sole Proprietorship (individual)
 - B. Partnership
 - C. Corporation
2. You **must** check one of the boxes below:
 - A. I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws.
 - B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195).
 - C. I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award.
3. If you have checked item 2(A) or 2(B), you **must** indicate the number of **both** full-time and part-time employees, other than yourself, including family members and active partners (if none, you must enter "0").

_____ Full-time Employees

_____ Part-time Employees

| | | |
|------------------|-------|-------------------------------------|
| Name of Business | | Federal ID (or) Social Security No. |
| Address | | Telephone () |
| City | State | ZIP |

I hereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that occur in factors affecting my coverage during any of my present and future operations.

Signature of Owner or Authorized Representative

Title

Date