

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #5494

SCHEDULED SALE DATE AND TIME: 10:00 a.m. (local time) on October 30, 2015. LOCATION: GRAYLING MGMT UNIT, 1955 HARTWICK PINES ROAD, GRAYLING, MI 49738.

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

GOOD BUY RED PINE KW1 (72-011-15-01) / T27N, R02E, SEC. 17, NW 1/4 OF NW 1/4.

T27N, R02E, SEC. 18, N 1/2.

T27N, R02E, SEC. 18, SW 1/4 & S 1/2 OF SE 1/4.

Oscoda County, Advertised Price \$738,919.15, 465.0 Acres

SALE NOTE: Area is being harvested for Kirtland's warbler habitat - no extensions will be granted due to the planting schedule. Sale must be ship harvested. The overhead powerline ROW in the northeast is owned by Consumer's Energy. Contact Sam Chansler at 269-207-8797 to obtain permission to use ROW. Additional small strip of timber may be negotiated with Consumer's. Sale contains designated snowmobile trail and ORV trail.

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.

COMP 176 OAK & SALVAGE (72-009-14-01) / T27N, R04W, SEC. 09, SW.

Crawford County, Advertised Price \$18,665.10, 40.5 Acres

SALE NOTE: Sale has following restrictions: Oak Wilt & Snowmobile trail restrictions. Frederic Trail does run through the stand.

Unit #3 is a twelve acre salvage clearcut.

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.

BID INSTRUCTIONS (VER. 10/01/2014):

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

Bids must be received by the Unit Manager, GRAYLING OFFICE, 1955 HARTWICK PINES ROAD, GRAYLING, MI 49738, no later than 10:00 a.m. (local time) on October 30, 2015. For further information concerning this sale, contact Susan Thiel at 989-348-6371 extension 7440.

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 (10/14)

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-SF5. 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

GOOD BUY RED PINE KW1 (72-011-15-01)

T27N, R02E, SEC. 17; T27N, R02E, SEC. 18.

Oscoda County (Advertised Price \$738,919.15)

SALE NOTE: Area is being harvested for Kirtland's warbler habitat - no extensions will be granted due to the planting schedule. Sale must be ship harvested. The overhead powerline ROW in the northeast is owned by Consumer's Energy. Contact Sam Chansler at 269-207-8797 to obtain permission to use ROW. Additional small strip of timber may be negotiated with Consumer's. Sale contains designated snowmobile trail and ORV trail.

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.

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*	AD\	/ERTISED PRICE
Sawlogs			
Red Pine	3,276.80 MBF	\$	158.00 / MBF
Pulpwood			
Jack Pine	1,915.00 Cords	\$	20.80 / Cord
Red Pine	2,977.00 Cords	\$	50.95 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$29,674.60:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Sawlogs			
Mixed Oak	61.40 MBF	\$	152.00 / MBF
White Pine	43.30 MBF	\$	60.00 / MBF
Pulpwood			
Balsam Fir	10.00 Cords	\$	21.05 / Cord
Mixed Aspen	477.00 Cords	\$	22.20 / Cord
Mixed Hardwood	29.00 Cords	\$	7.95 / Cord
Mixed Oak	363.00 Cords	\$	7.45 / Cord
White Pine	211.00 Cords	\$	19.00 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 6.61 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 \$37,000.00 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	14%
02	12%
03	16%
04	10%
05	13%
06	12%
07	9%
08	4%
09	8%
10	2%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 12/31/2017.

Sale Specific Conditions & Requirements

Sale Name: Good Buy Red Pine Kw1 Sale Number: 72-011-15-01

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 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 at hard corners. In the absence of red paint along the sale boundary, the following roads will serve as the sale boundary: Helmer Lake Road along the North, Town Line Road along the West, Miller Road along the South, and Youngs Road along the Southeast. Interior Payment Unit boundaries are marked with yellow paint. The north-south ORV trail through the center of the sale will serve as a Payment Unit boundary and is sparsely 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 are only to be cut when all surrounding Payment Units have been paid. The yellow painted trees along the ORV trail, and any other trees with trail markers or other signage along the ORV trail are not to be cut.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (6/14)

Within Payment Unit(s) #'s 1 through 9, cut all trees that are one (1) inch or more at DBH regardless of merchantability. Special protection trees identified in accordance with condition 3.4.2, within clearcutting unit boundaries, are not Included Timber and are to be protected. Special protection areas identified in accordance with condition 3.4.3, within clearcutting unit boundaries, are not Included Timber and are to be protected.

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

Within Payment Unit(s) # 10, cut all trees which meet minimum piece specifications in 2.2 Utilization that are greater than four (4) inches or more at DBH. The goal in Payment Unit # 10 is to protect as much of the unmerchantable regeneration as possible, to provide a visual barrier.

2.1.15 - Hazard trees near roads (7/13)

Cut and remove all standing dead trees within 100 feet of the cleared portion of Helmer Lake Road, Town Line Road, Miller Road, and Youngs Road. These trees may be utilized.

2.2 - Utilization

2.2.1 - Utilization (2/04)

All listed board foot volumes of sawlog size products in this contract have been determined using a top diameter inside bark of 8 inches.

2.2.2 - Chipping required (5/14)

This sale area must be chip harvested to facilitate subsequent planting operations and to meet Kirtland's warbler habitat requirements. The Purchaser has the option to produce sawlogs or pulpwood bolts, but the remaining portion of the trees must be chipped and hauled. The requirement to retain approximately 1/6 to 1/3 of tree tops and limbs less than four inches in diameter does not apply (G. C. & R. 2.2). This is to prepare the site as much as possible for trenching and planting.

2.2.3 - Stump heights (4/07)

Stump heights within the sale area shall not exceed 6 inches for all trees. This is in order to facilitate planting operations.

2.3 - Log Rule

2.3.1 - Log rule (12/08)

All board foot volumes of sawlog size products in this contract have been determined by the International 1/4 Inch Log Rule.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) may be divided at the request of the Purchaser and upon approval of the Unit Manager. Dividing Payment Units is a contract modification which requires a Timber Sale Contract Supplement.

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/14)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings within Payment Unit # 10 as much as possible.

Within the sale area, if more than 5% of retention islands, or designated retention trees are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

3.4.2 - 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 ringed with green paint, as well as witness trees ringed with red paint near survey corners. If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay \$100.00 as fixed, agreed and liquidated damages for each special protection tree cut or damaged. Such payment does not constitute ownership of the undesignated timber.

3.4.3 - Special Protection Areas (8/11)

The Purchaser shall protect special protection areas from damage by the Purchaser's operations. Special protection areas are retention islands and vortices marked with a red paint boundary line. The Purchaser shall not cut live or dead trees within special protection areas including boundary line trees. The Purchaser may be given permission with prior approval from the Unit Manager or his/her representative, to travel through retention islands or vortices at agreed upon locations, if deemed necessary for logging operations efficiency. If the Purchaser's operations have cut or damaged special protection areas through carelessness, the Purchaser shall pay \$100 as fixed, agreed and liquidated damages for each acre or part thereof cut or damaged. Such payment does not constitute ownership of the undesignated timber.

3.6 - Payment Unit Cutting Schedule

3.6.1 - Order of cutting (1/09)

Payment Units shall be cut in numerical order, unless approved by the Unit Manager or his/her representative.

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 chipped, utilized or otherwise removed from 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 chipped, utilized or otherwise removed from the sale. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge or utilized in road barriers as described in spec. 4.1.7, Road Closures. 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 at the road entrance. These roads must be rendered impassable to cars and trucks. Stumps from road building and landing construction can be reserved to block any newly constructed roads upon completion of the sale. Contact the sale administrator for specific details of design and placement.

4.1.11 - Permits (2/12)

The Purchaser will secure any necessary highway and county road permits that may be required.

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

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

4.2.5 - Two wheel drive condition (2/04)

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

4.4 - Access

4.4.4 - Restricted access (10/05)

Minimize or avoid the use of Youngs Road, in order to minimize access disturbance to private residents.

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 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.

5.1.6 - Utility R.O.W. (1/15)

It is the responsibility of the Purchaser to obtain permission from the utility company to utilize the power line R.O.W. for operations. Contact Sam Chansler with Consumer's Energy at 269-207-8797.

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.

5.2.22 - Operating Caution

5.2.22.1 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s) # 8, cutting, skidding, and hauling occur during frozen winter conditions. The reason for the recommendation is due to a few low, wet areas (retention islands) as well as to encourage successful aspen regeneration.

5.2.29 - Shrub protection (9/07)

Do not cut or damage hawthorn, witch-hazel, dogwood or juneberry. These woody-shrub plants are highly beneficial to various wildlife species. Some hawthorn was found within Payment Unit #8.

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.

5.2.37 - No decking areas (12/08)

No decking is allowed within 50 feet of Town Line Road, Miller Road, or Youngs Road without permission of the Unit Manager or his/her representative.

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

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

5.2.39 - ORV trail/route protection (12/12)

The Mio to Meadows is an ORV trail or route (MCCCT) and is shown on the Timber Sale Map. Do not cut trees or damage posts with orange ORV markers or other signage, as well as trees painted with yellow along the ORV trail. All stumps within 5 feet of the trail must be cut flush with the ground. Maintain a 20 foot wide slash, debris, and rut free zone daily using the ORV trail or route as the centerline. Do not run equipment down the ORV trail or route. Skidding, hauling, or traveling across the trail or route may only occur in locations approved by the sale administrator and proper caution signing must be implemented as described in spec. 6.2.3, Recreational trail posting. It is also recommended to harvest the area around the crossing location prior to crossing, to provide greater sight distance for trail users.

5.2.41 - Snowmobile trail protection (9/11)

The Roll Trail is a snowmobile trail and is shown on the Timber Sale Map, and is coincident with Helmer Lake Road. 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 unless written permission is obtained from the Unit Manager or his/her representative. No decking of forest products will be permitted along the snowmobile trail. All stumps within 20 feet of the snowmobile trail centerline must be cut at ground level.

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 are 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.3 - Recreational trail posting (2/10)

The Purchaser is responsible for posting and maintaining caution signs on the Roll Trail and Mio to Meadows prior to beginning operations. The trail must be posted near any trail crossings, as well as at appropriate distances from the sale area to warn of logging activity and truck traffic at both ends of the trail. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs if the state no longer has any available.

7 - Other Conditions

7.2 - Extensions

7.2.2 - No extensions (3/09)

There will be no extensions granted on this contract. The purpose of this sale is to create habitat for the endangered Kirtland's Warbler, and therefore is already scheduled for site preparation and planting.

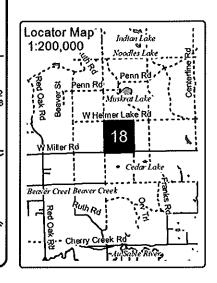
7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from jack pine budworm. 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 5/13/2015 3:27:04PM

Year Sale Number Michigan Department of Natural Resources · Forest Resources Division TIMBER SALE MAP 15 72 - 011 This information provided by authority of Part 525, 1994 PA 451, as amended. Forest Management Unit Mapped By Page of County Gilner 03/30/2015 **Grayling Management Unit** Oscoda County Cruised By Gilner Range Section(s) and Subdivision(s) N 1/2, & SW 1/4 & S 1/2 of SE 1/4 Township 1:15,840 Sec. 18, & NW 1/4 of NW 1/4 Sec. 17 27N 02E Density Cover Type H = Hemlock N = Marsh U = Upland Brush A = Aspen 0 = Non Stocked 5 = Pole Timber Medium = Jack Pine B = Paper Birch 1 = Seedling Sapling Poor 6 = Pole Timber Well O = Oak UM = Upland Mixed = Lowland Brush C = Cedar 2 = Seedling Sapling Medium 7 = Saw Timber Poor P = Lowland Poplar = Bog or Marsh LM = Lowland Mixed 3 = Seedling Sapling Well 8 = Saw Timber Medium D = Treed B∞ Q = Mixed Swamp Conifer W = White Pine M = Mpl, Bch, Brch 4 = Pole Timber Poor 9 = Saw Timber Well E = Swamp Hdwoods R = Red Pine ■ Non Stocked MC = Mixed Conifer F = Spruce Fir S = Black Spruce = Water MD = Mixed Decidious T = Tamarack G = Grass PU PU Acres Acres **Good Buy Red Pine KW1** 54 6 47 59 38 **Compartment 9** 59 70 8 37 36 9 465 Acres 5 56 10 -18 Legend 23 J6 Sale Boundary 48 J5 16 Against State (Red) .ĸ 15 A3 Payment Unit (Yellow) Private Line (Blue) 20 Section Corners Retention Area (Red) 21 G0 Adjacent Stand Boundaries 25 Jô Recreational Trail Motorcycle Trails GO **Snowmobile Trails** Payment Unit



PVT Label - Private Property

Paved
Gravel
Poor Dirt

38

R6

R6

PVT

TIMBER SALE INFORMATION

COMP 176 OAK & SALVAGE (72-009-14-01)

T27N, R04W, SEC. 09.

Crawford County (Advertised Price \$18,665.10)

SALE NOTE: Sale has following restrictions: Oak Wilt & Snowmobile trail restrictions. Frederic Trail does run through the stand.

Unit #3 is a twelve acre salvage clearcut.

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.

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:

ESTIMATED UNITS*		ADVERTISED PRICE	
103.60 MBF	\$	132.00 / MBF	
282.00 Cords	\$	7.60 / Cord	
197.00 Cords	\$	8.45 / Cord	
	103.60 MBF 282.00 Cords	103.60 MBF \$ 282.00 Cords \$	

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,182.05:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ADVERTISED PRICE		
Pulpwood					
Jack Pine	17.00 Cords	\$	16.75 / Cord		
Red Pine	18.00 Cords	\$	49.85 / Cord		

^{*} The total volume is statistically estimated within plus (+) or minus (-) 15.88 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:

PERCENT OF TOTAL SALE VALUE
50%
20%
30%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 12/31/2017.

Sale Specific Conditions & Requirements

Sale Name: Comp 176 Oak & Salvage Sale Number: 72-009-14-01

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 and/or yellow 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 unless marked with orange paint. Yellow painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 3, cut all trees which meet minimum piece specifications in 2.2 Utilization. This unit is a salvage unit, nearly all stems within this unit have been blown down.

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

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

2.1.11 - Description of timber note (2/04)

Note that Approximately 6 cords of aspen is included with red maple cordage estimate. Unit 3 is a salvage clearcut.

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. A written waiver of this requirement may be obtained if wet summer weather makes winter logging necessary.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) may be divided at the request of the Purchaser and upon approval of the Unit Manager. Dividing Payment Units is a contract modification which requires a Timber Sale Contract Supplement.

3.6 - Payment Unit Cutting Schedule

3.6.1 - Order of cutting (1/09)

Payment Units shall be cut starting with Unit 3, this storm damaged timber needs to be remove first before moving onto other units, unless approved by the Unit Manager or his/her representative.

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 chipped, utilized or dispersed throughout the sale.

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. Stumps and brush must be placed along the remainder of the trail. 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.

4.2 - Maintenance

4.2.5 - Two wheel drive condition (2/04)

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

5 - Operations

5.1 - Notification

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

5.2.1.8 - 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

5.2.3.4 - Oak wilt restriction (6/10)

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

5.2.29 - Shrub protection (9/07)

Do not cut or damage hawthorn, witch-hazel, dogwood or juneberry. These woody-shrub plants are highly beneficial to various wildlife species.

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

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

5.2.39 - ORV trail/route protection (12/12)

The Fredric ORV trail is shown on the Timber Sale Map. Do not cut trees or damage posts with orange ORV markers. All stumps within 5 feet of the trail must be cut flush with the ground. Maintain a 20 foot wide slash, debris, and rut free zone daily using the ORV trail or route as the centerline. Do not run equipment down the ORV trail or route. Skidding across the trail or route may only occur in locations approved by the sale administrator.

5.2.41 - Snowmobile trail protection (9/11)

Frederic ORV Route/Snowmobile trail 79 is shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. The road maintenance/restoration must be done prior to December 1. If the trail is used for hauling, it must be graded to the satisfaction of the Unit Manager or his/her representative prior to December 1st. The snowmobile trail may not be used for any timber sale operations from December 1 to March 31 without written approval of Unit Manager. If the trail road is to be used for hauling during the snowmobile season, then a snow covered base must be left on the trail. The snowmobile trail may only be crossed at right angles. Maintain a 20 foot wide slash, debris, and rut free zone daily using the snowmobile trail as the centerline. No decking of forest products will be permitted along the snowmobile trail. All stumps within 20 feet of the snowmobile trail must be cut at ground level or left 4 feet tall.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12

inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (9/09)

The Purchaser is responsible for posting and maintaining caution signs on road prior to beginning operations. The road must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

6.2.2 - Snowmobile trail posting (8/09)

The Purchaser is responsible for posting and maintaining caution signs on snowmobile trail 79/Frederic ORV Route prior to beginning operations during the snowmobile season (approximately December 1 to March 31). The trail must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

6.2.3 - Recreational trail posting (2/10)

The Purchaser is responsible for posting and maintaining caution signs on Fredric Trail prior to beginning operations. The trail must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic at both ends of the trail. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

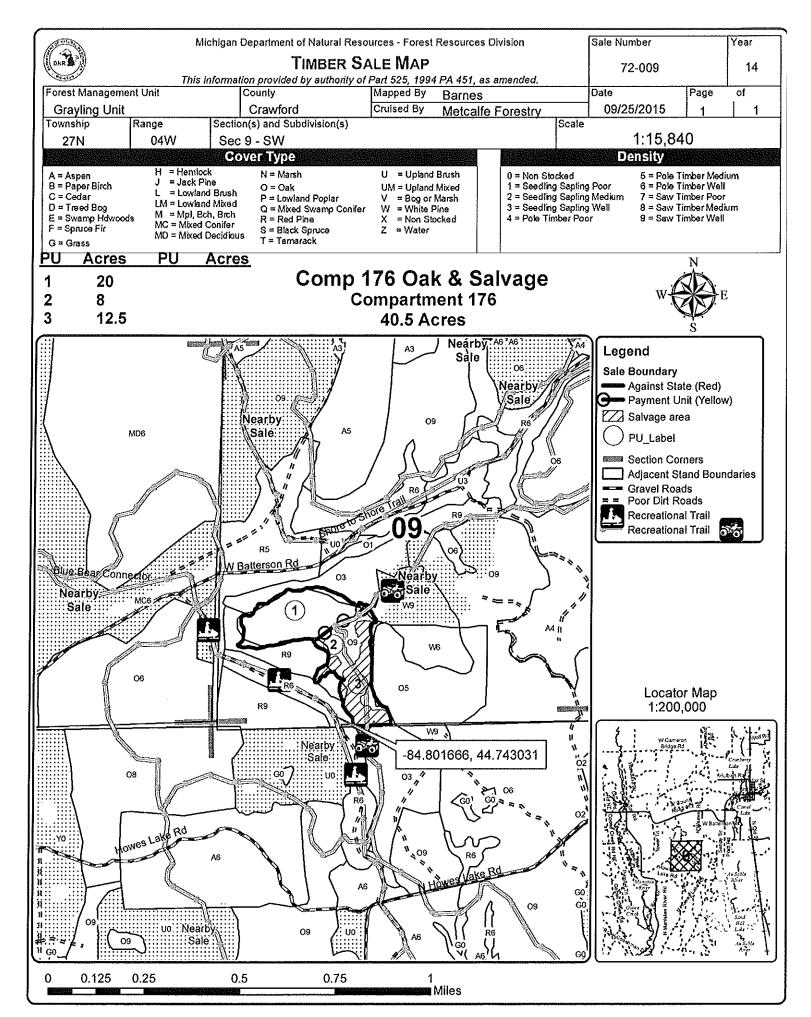
7 - Other Conditions

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from high winds resulting in windthrow. The only area of windthrow is within Unit 3. 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 9/28/2015 9:33:08AM



FEDERAL ID:

BID FORM

GOOD BUY RED PINE KW1 (72-011-15-01) T27N, R02E, SEC. 17; T27N, R02E, SEC. 18, Oscoda County

In response to the notice of sale to be held 10:00 a.m. (local time) on October 30, 2015, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PRICE	BID PRICE
Sawlogs			
Red Pine	3,276.80 MBF	\$ 158.00 / MBF	\$ / MBF
Pulpwood			
Jack Pine	1,915.00 Cords	\$ 20.80 / Cord	\$ / Cord
Red Pine	2,977.00 Cords	\$ 50.95 / Cord	\$ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$29,674.60:

PRODUCTS & SPECIES	ESTIMATED UNITS*		ADV	ERTISED PRICE
Sawlogs				
Mixed Oak	61.40	MBF	\$	152.00 / MBF
White Pine	43.30	MBF	\$	60.00 / MBF
Pulpwood				
Balsam Fir	10.00	Cords	\$	21.05 / Cord
Mixed Aspen	477.00	Cords	\$	22.20 / Cord
Mixed Hardwood	29.00	Cords	\$	7.95 / Cord
Mixed Oak	363.00	Cords	\$	7.45 / Cord
White Pine	211.00	Cords	\$	19.00 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 6.61 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:				
	Company representative's name:				
	Address:				
	City:	State:	Zip:		
F AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.					
ndividual	vidual or company representative's signature: Date:				
hone nu	hone 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:			

•	This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.			
•	In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within 21 days of the contract award and prior to the issuance of the timber sale contract.			
•	All Information must be typed or printed except for written signatures.			
Please Check Appropriate Categories:				
1.	My business is organized as (you must check <u>one</u> of the boxes below):			

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

	A. Sole Proprietorship (individual)			
	B. Partnership			
	C. Corporation			
2.	You must check one of the boxes b	pelow:		
	A. I certify that my business is a s Worker's Compensation Laws.	sole proprietorship and	it has no employees but the sole proprietor. I am not subject to the	
	Notice of Exclusion (BWC-337)	Rev. 5/96). I will prov	to the Worker's Compensation Act through the use of an approved vide a copy of the Notice of Exclusion within 21 days of the contract ase call the Worker's Compensation Bureau at 517-322-1195).	
	C. I certify that my business has a days of the contract award.	Worker's Compensati	ion Policy. I will provide an original Certificate of Insurance within 21	
3.	If you have checked item 2(A) or 2(than yourself, including family mem		e the number of both full-time and part-time employees, other ners (if none, you must enter "0").	
	Full-tin	ne Employees	Part-time Employees	
Vam	ne of Business		Federal ID (or) Social Security No.	
\dd	dress		Telephone	
nuuless			()	
City State			ZIP	
	ereby certify that the above informati cur in factors affecting my coverage o		ct. I agree to notify the Michigan DNRE of any changes that sent and future operations.	
-	ignature of Owner or Authorized Representative			

Date

BID FORM

COMP 176 OAK & SALVAGE (72-009-14-01) T27N, R04W, SEC. 09, Crawford County

In response to the notice of sale to be held 10:00 a.m. (local time) on October 30, 2015, 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*	ADVER	RTISED PRICE	BID PI	RICE
Sawlogs					
Mixed Oak	103.60 MBF	\$ 1	32.00 / MBF	\$	/ MBF
Pulpwood					
Mixed Oak	282.00 Cords	\$	7.60 / Cord	\$	/ Cord
Red Maple	197.00 Cords	\$	8.45 / Cord	\$	/ Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,182.05:

ESTIMATED UNITS*	<u>AD\</u>	/ERTISED PRICE
17.00 Cords	\$	16.75 / Cord
18.00 Cords	\$	49.85 / Cord
	17.00 Cords	17.00 Cords \$

^{*} The total volume is statistically estimated within plus (+) or minus (-) 15.88 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:		
F AVAIL	ABLE, PLEASE PLACE THE PER				
		SONALIZED LABE	EL FROM YOUR PROSPE		



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.

Signature of Owner or Authorized Representative

Title

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				
3.	 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. 				
	Full-time Employees	Part-time Employees			
Nam	Name of Business Federal ID (or) Social	Security No.			
Add	Address Telephone ()				
City	City State ZIP				
	I hereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that occur in factors affecting my coverage during any of my present and future operations.				

Date