

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #6112

SCHEDULED SALE DATE AND TIME: 1:00 p.m. (local time) on February 26, 2018. LOCATION: GWINN MGMT UNIT, 410 WEST M-35, GWINN, MI 49841.

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

<u>Little East</u> (32-001-17)

Marquette County, Advertised Price \$41,552.30, 154.1 Acres, Hardwood, Sugar Maple.

SALE NOTE: The access road into Payment Units 1, 2, and 3 may require culvert maintenance and/or installation. See sale spec 4.1.5 for details.

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.

Big West (32-016-17)

Marquette County, Advertised Price \$109,268.10, 312.9 Acres, Hardwood, Sugar Maple.

SALE NOTE: Longer sale duration due to larger sale size. Little West Road must be restored to prior or better condition after the sale.

BID INSTRUCTIONS (VER. 11/28/2017):

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

Bids must be received by the Unit Manager, GWINN OFFICE, 410 WEST M-35, GWINN, MI 49841, no later than 1:00 p.m. (local time) on February 26, 2018. For further information concerning this sale, contact Tom Seablom at 906-346-9201.

2. Bidder's Qualifications (5/16)

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, the 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 (5/16)

Bid Forms may be completed online thru Michigan DNR Timber Sale Online Bidding (OLB) at www.michigan.gov/timberbidding or by completing the hardcopy Bid Form found in the Timber Sale Prospectus. Hardcopy Bid Forms shall be manually signed in ink. Registration in OLB is considered your 'signature' for all bids submitted thru that system. 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 hardcopy Bid Form, each erasure or change must be initialed by the person signing the bid.

4. Submission of Sealed Bids (5/16)

Bid forms may be obtained from the Unit Manager or thru OLB. Bids may be submitted hardcopy or thru OLB. All hardcopy 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.

It is possible for a bidder to submit multiple bids on a single sale. For example, a bid may be submitted hardcopy and a bid may be submitted thru OLB. Or, two bidders from the same company could both submit bids on the same sale. If this were to happen, the State would accept all bids received and award the contract accordingly. All bidding and contractual requirements would apply to all bids received.

5. Public Opening of Sealed Bids (7/16)

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 or announce the withdrawal of their online bid 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 (11/17)

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.

Payment Unit values in the State Forest Timber Sale Contract are calculated based on the advertised value of the Payment Unit as a percentage of the total advertised value of the contract. The advertised value of each Payment Unit is given in the Description of Timber by Payment Unit table on the Timber Sale Information page. For example, if the value of Payment Unit 1 is advertised as \$1,500 and the total Timber Sale value is advertised as \$10,000, the contract price for Payment Unit 1 will be 15% of the total bid price (\$1,500/\$10,000 * 100).

10. Disclaimer of Estimates and Bidder's Warranty of Inspection (7/16)

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.

12. Good Neighbor Authority (GNA) Requirements (7/16)

If the name of this timber sales contains the acronym GNA, it is authorized by the Good Neighbor Authority (GNA) and covered by various agreements between the U.S. Forest Service and the State. The timber sale occurs on federal land and the following conditions apply:

GNA contracts on US Forest Service land will not be awarded to purchasers on the Federal list of excluded parties. The System for Award Management (SAM) will be checked for active excluded parties prior to award of contract. In addition, the Bidder to whom award is made must complete an Assurance Regarding Felony Conviction or Tax Delinquent Status for Corporate Applicants (AD-3031).

13. Good Neighbor Authority (GNA) Requirements, con't (9/16)

Bidder certifies, by signing this bid form, that to the best of Bidder's knowledge that the following representations are accurate and complete.

a. That the Bidder and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntary excluded from timber sales (covered transactions) by any Federal department or agency.

- b. That the Bidder and its principals have not within a 3-year period preceding this bid been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
- c. That the Bidder and its principals are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph b of this certification.
- d. That the Bidder and its principals have not within a 3-year period preceding this bid had one or more public transactions (Federal, State, or local) terminated for breach or default of a timber or forest product contract.

Bidders that cannot certify this requirement, in whole or in part, shall submit an explanation with their bid.

KEITH CREAGH Director

TIMBER SALE INFORMATION

Little East (32-001-17)

Marquette County (Advertised Price \$41,552.30)

SALE NOTE: The access road into Payment Units 1, 2, and 3 may require culvert maintenance and/or installation. See sale spec 4.1.5 for details.

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* | | <u>ADVI</u> | ERTISED PRICE |
|--------------------|------------------|-------|-------------|---------------|
| Sawtimber | | | | |
| Basswood | 41.80 | MBF | \$ | 135.00 / MBF |
| Red Maple | 0.10 | MBF | \$ | 113.00 / MBF |
| Sugar Maple | 23.00 | MBF | \$ | 290.00 / MBF |
| Pulpwood | | | | |
| Balsam Fir | 162.00 | Cords | \$ | 38.65 / Cord |
| Balsam Poplar | 2.00 | Cords | \$ | 33.50 / Cord |
| Basswood | 238.00 | Cords | \$ | 12.90 / Cord |
| Quaking Aspen | 176.00 | Cords | \$ | 33.50 / Cord |
| Red Maple | 23.00 | Cords | \$ | 22.70 / Cord |
| Sugar Maple | 535.00 | Cords | \$ | 22.70 / Cord |
| White Spruce | 41.00 | Cords | \$ | 30.90 / Cord |

^{*} The total volume is statistically estimated within plus (+) or minus (-) 15.55 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 \$2,078.00 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.
- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 05/31/2021.

Description of Timber by Payment Unit (PU)

| PU | MARKET GROUP | PRODUCT | QUANTITY | UNIT | ACRES | ADVERTISE PRICE |
|----|---------------|-----------|----------|-------|-------|-----------------|
| 1 | Basswood | Sawtimber | 7.7 | MBF | 11.8 | \$3,386.70 |
| | Sugar Maple | | 2.6 | MBF | | |
| | Basswood | Pulpwood | 32.0 | Cords | | |
| | Red Maple | | 5.0 | Cords | | |
| | Sugar Maple | | 47.0 | Cords | | |
| 2 | Basswood | Sawtimber | 12.5 | MBF | 19.0 | \$5,504.20 |
| | Red Maple | | 0.1 | MBF | | |
| | Sugar Maple | | 4.2 | MBF | | |
| | Basswood | Pulpwood | 51.0 | Cords | | |
| | Red Maple | | 9.0 | Cords | | |
| | Sugar Maple | | 76.0 | Cords | | |
| 3 | Basswood | Sawtimber | 7.9 | MBF | 12.0 | \$3,478.30 |
| | Sugar Maple | | 2.7 | MBF | | |
| | Basswood | Pulpwood | 33.0 | Cords | | |
| | Red Maple | | 5.0 | Cords | | |
| | Sugar Maple | | 48.0 | Cords | | |
| 4 | Basswood | Sawtimber | 0.3 | MBF | 6.5 | \$1,346.00 |
| | Sugar Maple | | 0.7 | MBF | | |
| | Basswood | Pulpwood | 1.0 | Cords | | |
| | Sugar Maple | | 48.0 | Cords | | |
| 5 | Basswood | Sawtimber | 3.3 | MBF | 18.8 | \$3,457.20 |
| | Sugar Maple | | 2.7 | MBF | | |
| | Basswood | Pulpwood | 33.0 | Cords | | |
| | Quaking Aspen | | 3.0 | Cords | | |
| | Sugar Maple | | 75.0 | Cords | | |
| 6 | Basswood | Sawtimber | 3.1 | MBF | 17.3 | \$3,197.30 |
| | Sugar Maple | | 2.5 | MBF | | |
| | Basswood | Pulpwood | 30.0 | Cords | | |
| | Quaking Aspen | | 3.0 | Cords | | |
| | Sugar Maple | | 69.0 | Cords | | |
| 7 | Basswood | Sawtimber | 2.8 | MBF | 16.0 | \$2,959.50 |
| | Sugar Maple | | 2.3 | MBF | | |
| | Basswood | Pulpwood | 28.0 | Cords | | |
| | Quaking Aspen | | 3.0 | Cords | | |
| | Sugar Maple | | 64.0 | Cords | | |
| 8 | Basswood | Sawtimber | 4.2 | MBF | 14.6 | \$4,261.60 |
| | Sugar Maple | | 5.3 | MBF | | |
| | Basswood | Pulpwood | 30.0 | Cords | | |
| | Sugar Maple | | 78.0 | Cords | | |
| 9 | Balsam Fir | Pulpwood | 162.0 | Cords | 38.1 | \$13,961.50 |
| | Balsam Poplar | ' | 2.0 | Cords | | , |
| | Quaking Aspen | | 167.0 | Cords | | |
| | Red Maple | | 4.0 | Cords | | |
| | Sugar Maple | | 30.0 | Cords | | |
| | White Spruce | | 41.0 | Cords | | |
| | <u>'</u> | TOTAL: | 64.9 | MBF | | <u> </u> |
| | | | | | | |

Sale Specific Conditions & Requirements

Sale Name: Little East Sale Number: 32-001-17 Seq#: 1

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 yellow paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint, with the exception of the boundary between Payment Units 8 and 9, which is marked with red paint. Red or yellow painted trees designating an interior Payment Unit boundary are not to be cut unless marked with orange paint, as specified in 2.1.3.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 9, cut all trees which meet minimum piece specifications in 2.2 Utilization except basswood, black cherry, paper birch, yellow birch, hemlock, cedar, red pine, white pine, and any tree greater than 26 inches at DBH. In addition, do not cut maple greater than 24 inches at DBH.

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

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

2.2 - Utilization

2.2.4 - Skidding length (2/14)

Within Payment Units 1-8, skidding of unlimbed tops or lengths over 17 feet is not permissible unless approved by the Unit Manager or his/her representative.

3 - Payments

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. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings. Within the sale area, if more than 10% of the tree seedlings or saplings (1/4" to 4.5" DBH) within a specified portion of the sale area are damaged, liquidated damages will be assessed at \$200 per acre for all acreage within that specified portion of the sale area that was damaged.

No damage is acceptable to merchantable trees. Within the sale area, if more than 10% of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

4 - Transportation

4.1 - Construction

4.1.3 - Slash and earthen piles (8/04)

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

4.1.5 - Culverts (5/14)

The access road to Payment Units 1-3 may require the installation of 3 or 4 temporary culverts, as shown on the Timber Sale Map. These culverts are for cross drainage and must be installed prior to hauling. The culverts shall be new, corrugated metal, and shall be removed after the sale is completed. The culverts will be a minimum of 16 inches in diameter and 16 feet in length. The Gwinn DNR office may be able to provide the culverts; contact the office at (906) 346-9201 for information.

4.1.6 - Road construction (1/09)

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

4.1.12 - No new roads (1/12)

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

5 - Operations

5.2 - Conduct of Operations

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (10/16)

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

5.2.3 - Operating Restrictions

5.2.3.2 - Operating restrictions (9/11)

Within Payment Unit(s) 5, 8, and 9, cutting, skidding, and hauling are limited to the period of December 1 to March 15. This restriction is because the units are within habitat range of a threatened species, along with a deer wintering complex.

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1-8, cutting and skidding are not permitted during the period of April 1 to July 15. This restriction is because of bark slippage.

5.2.22 - Operating Caution

5.2.22.1 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s) 9, cutting, skidding, and hauling occur during dry summer or frozen winter conditions. The reason for the recommendation is because there is a narrow, low swale in the center of the unit.

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.

5.2.41 - Snowmobile trail protection (9/11)

The north-south access route is a snowmobile trail (Trail 33) and is shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. If the trail is used for hauling, it must be graded to the satisfaction of the Unit Manager or his/her representative prior to December 1st. If the trail road is to be used for hauling during the snowmobile season, then a snow covered base must be left on the trail. No hauling is permitted on the snowmobile trail on weekends during snowmobiling season. 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.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (3/13)

An inactive nest has been identified and excluded from the sale area in Payment Unit 5. 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.

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 County Road 557, Little West Road, and the snowmobile trail 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.

7 - Other Conditions

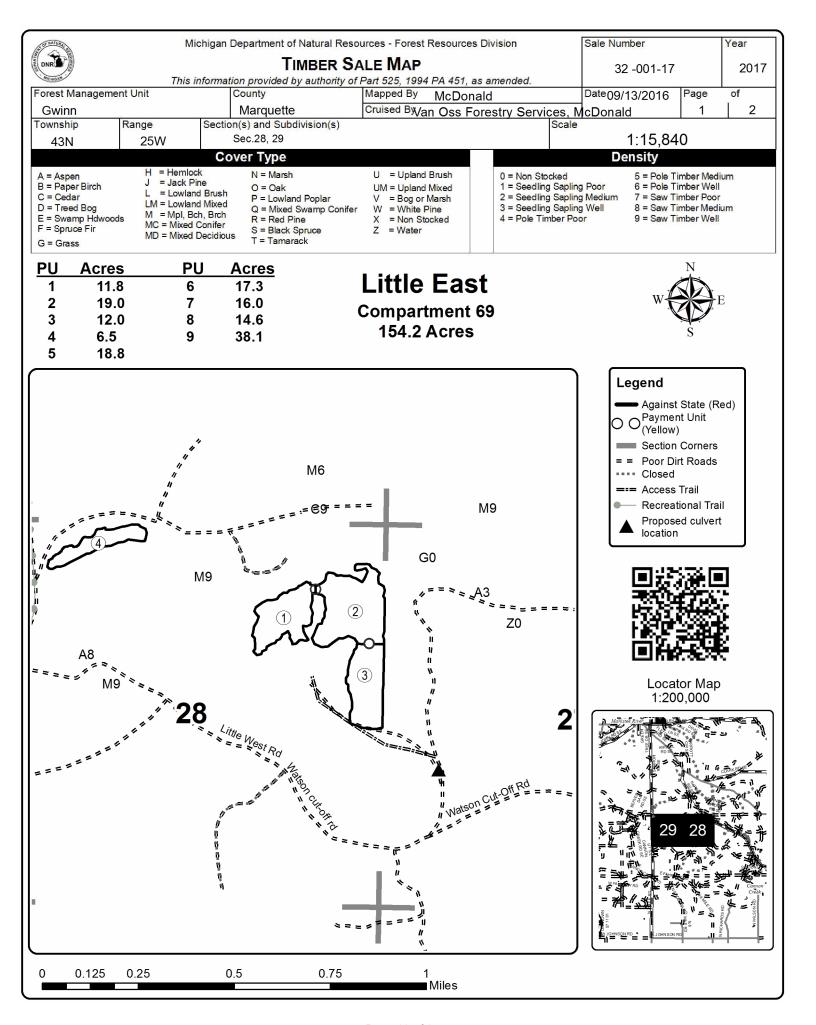
7.3 - Contract Modifications

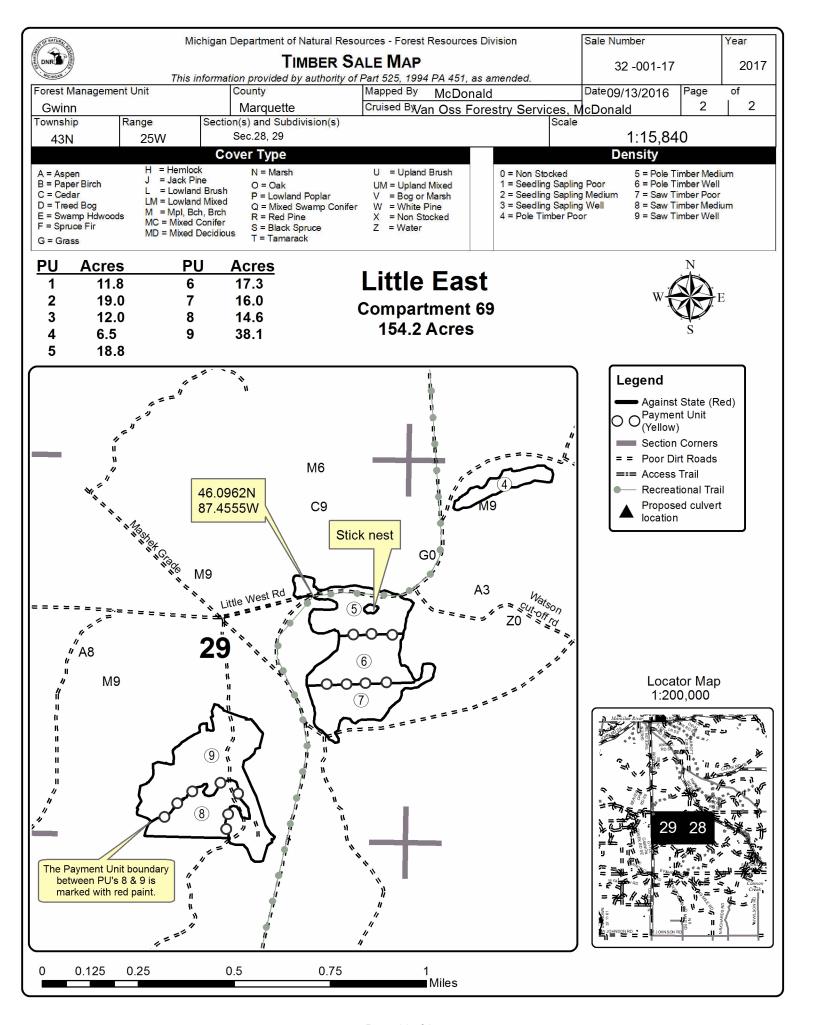
7.3.1 - Emerald Ash Borer

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.

Section Name: Sale Specific Current as of 1/29/2018 4:10:47PM





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TIMBER SALE INFORMATION

Big West (32-016-17)

Marquette County (Advertised Price \$109,268.10)

SALE NOTE: Longer sale duration due to larger sale size. Little West Road must be restored to prior or better condition after the sale.

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\ | ADVERTISED PRICE | |
|--------------------|------------------|-------|-----|------------------|--|
| Sawtimber | | | | | |
| Basswood | 36.70 | MBF | \$ | 135.00 / MBF | |
| Sugar Maple | 185.10 | MBF | \$ | 290.00 / MBF | |
| Pulpwood | | | | | |
| Basswood | 243.00 | Cords | \$ | 12.90 / Cord | |
| Mixed Hardwood | 2,032.00 | Cords | \$ | 22.70 / Cord | |
| Quaking Aspen | 41.00 | Cords | \$ | 33.50 / Cord | |

^{*} The total volume is statistically estimated within plus (+) or minus (-) 11.11 percent. The estimated units are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$5,463.00 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.
- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 05/31/2021.

Description of Timber by Payment Unit (PU)

| PU | MARKET GROUP | PRODUCT | QUANTITY | UNIT | ACRES | ADVERTISE PRICE |
|----|----------------|-------------|--------------|-------|-------|-----------------|
| 1 | Basswood | Sawtimber | 3.6 | MBF | 31.0 | \$10,799.30 |
| | Sugar Maple | | 18.3 | MBF | | |
| | Basswood | Pulpwood | 24.0 | Cords | | |
| | Mixed Hardwood | | 201.0 | Cords | | |
| | Sugar Maple | | 201.0 | Cords | | |
| | Quaking Aspen | | 4.0 | Cords | | |
| 2 | Basswood | Sawtimber | 4.4 | MBF | 37.5 | \$13,089.70 |
| | Sugar Maple | | 22.2 | MBF | | |
| | Basswood | Pulpwood | 29.0 | Cords | | |
| | Mixed Hardwood | | 243.0 | Cords | | |
| | Sugar Maple | | 243.0 | Cords | | |
| | Quaking Aspen | | 5.0 | Cords | | |
| 3 | Basswood | Sawtimber | 3.1 | MBF | 26.1 | \$9,079.30 |
| | Sugar Maple | | 15.4 | MBF | | |
| | Basswood | Pulpwood | 20.0 | Cords | | |
| | Mixed Hardwood | • | 169.0 | Cords | | |
| | Sugar Maple | | 169.0 | Cords | | |
| | Quaking Aspen | | 3.0 | Cords | | |
| 4 | Basswood | Sawtimber | 3.4 | MBF | 29.2 | \$10,197.00 |
| • | Sugar Maple | | 17.3 | MBF | | 4.0,.01.00 |
| | Basswood | Pulpwood | 23.0 | Cords | | |
| | Mixed Hardwood | - aipwood | 189.0 | Cords | | |
| | Sugar Maple | | 189.0 | Cords | | |
| | Quaking Aspen | | 4.0 | Cords | | |
| 5 | Basswood | Sawtimber | 5.3 | MBF | 45.3 | \$15,791.10 |
| J | Sugar Maple | Sawtillibel | 26.8 | MBF | 45.5 | φ13,791.10 |
| | Basswood | Pulpwood | 35.0 | Cords | | |
| | Mixed Hardwood | i uipwood | 293.0 | Cords | | |
| | Sugar Maple | | 293.0 | Cords | | |
| | | | 293.0 6.0 | Cords | | |
| • | Quaking Aspen | Caustinahan | | | 40.0 | £47.070.70 |
| 6 | Basswood | Sawtimber | 5.7 | MBF | 48.6 | \$17,076.70 |
| | Sugar Maple | Dedama | 28.8 | MBF | | |
| | Basswood | Pulpwood | 38.0 | Cords | | |
| | Mixed Hardwood | | 320.0 | Cords | | |
| | Ironwood | | 3.0 | Cords | | |
| | Sugar Maple | | 314.0 | Cords | | |
| | Yellow Birch | | 3.0 | Cords | | |
| | Quaking Aspen | | 6.0 | Cords | | |
| 7 | Basswood | Sawtimber | 4.4 | MBF | 37.3 | \$13,038.00 |
| | Sugar Maple | | 22.1 | MBF | | |
| | Basswood | Pulpwood | 29.0 | Cords | | |
| | Mixed Hardwood | | 242.0 | Cords | | |
| | Sugar Maple | | 242.0 | Cords | | |
| | Quaking Aspen | | 5.0 | Cords | | |
| 8 | Basswood | Sawtimber | 5.1 | MBF | 43.3 | \$15,108.10 |
| | Sugar Maple | | 25.6 | MBF | | |
| | Basswood | Pulpwood | 34.0 | Cords | | |
| | Mixed Hardwood | | 280.0 | Cords | | |
| | Sugar Maple | | 280.0 | Cords | | |
| | Quaking Aspen | | 6.0 | Cords | | |
| 9 | Basswood | Sawtimber | 1.7 | MBF | 14.6 | \$5,088.90 |
| | Sugar Maple | | 8.6 | MBF | | |
| | Basswood | Pulpwood | 11.0 | Cords | | |
| | Mixed Hardwood | · | 95.0 | Cords | | |
| | 1 | | 95.0 | Cords | I | l |

Description of Timber by Payment Unit (PU), con't

| PU | MARKET GROUP | PRODUCT | QUANTITY | UNIT | ACRES | ADVERTISE PRICE |
|---------|---------------|----------|----------|-------|-------|-----------------|
| 9 con't | Quaking Aspen | Pulpwood | 2.0 | Cords | | |
| | | TOTAL: | 221.8 | MBF | | |
| | | TOTAL: | 2,316.0 | Cords | | |

Sale Specific Conditions & Requirements

Sale Name: Big West Sale Number: 32-016-17 Seq#: 1

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary and Payment Unit boundaries are marked and identified by red paint, along with a road. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with red paint, with the exception of the boundary between Payment Units 1 & 3 and 2 & 4, which is unpainted and identified by Little West Road. Red painted trees designating an interior Payment Unit boundary are not to be cut unless marked with orange paint, as specified in 2.1.3.

2 - Timber Specifications

2.1 - Included Timber

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

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

2.2 - Utilization

2.2.4 - Skidding length (2/14)

Within Payment Units 1-9, skidding of unlimbed tops or lengths over 17 feet is not permissible unless approved by the Unit Manager or his/her representative.

3 - Payments

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. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings. Within the sale area, if more than 10% of the tree seedlings or saplings (1/4" to 4.5" DBH) within a Payment Unit of the sale area are damaged, liquidated damages will be assessed at \$200 per acre for all acreage within that specified portion of the sale area that was damaged.

No damage is acceptable to merchantable trees. Within the sale area, if more than 10% of trees (> 4.5" DBH) within a Payment Unit of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

4 - Transportation

4.1 - Construction

4.1.3 - Slash and earthen piles (8/04)

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

4.1.5 - Culverts (5/14)

Roads may require the installation of culverts for cross drainage or at natural drainage-ways. If culverts are needed in these locations, their placement will be specified by the sale administrator and they shall be installed prior to hauling. The culverts

shall be new, corrugated metal or plastic gauge. Culverts will be a minimum of 12 inches in diameter and 24 feet in length. If culverts are removed, fill shall be removed from wetland soils as specified. Soils shall be maintained and left in a non-erodible condition, with water bars, seed, fertilizer, mulch, and slash installed as directed by the sale administrator and as specified in the BMP manual. Stream crossing permits, if needed, will be obtained by the DNR.

4.1.12 - No new roads (1/12)

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

5 - Operations

5.2 - Conduct of Operations

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (10/16)

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) 1-9, cutting and skidding are not permitted during the period of April 1 to July 15. This restriction is because of bark slippage.

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.

5.6 - Debris and Waste Material

5.6.3 - Equipment cleaning (12/17)

For purposes of this provision, "Off-Road Equipment" includes all logging and construction machinery, except for log trucks, chip vans, service vehicles, water trucks, pickup trucks, cars, and similar vehicles. Off-Road Equipment brought on site must be clean and free from plant material and soil prior to arrival on any Payment Unit. Off-Road Equipment shall be cleaned of plant material and dirt prior to being moved to a new stand within the sale. Plant material includes leaves, stems, roots and seeds. Equipment shall be considered clean when a visual inspection does not disclose seeds, soil, vegetative matter, and other debris that could contain or hold seeds. This is to prevent the spread of invasive plant species.

5.8 - Protection of Endangered Species

5.8.8 - Protected species, other (2/12)

Within Payment Unit(s) 8-9, cutting, skidding, and hauling are not permitted during the period of April 1 to September 30. This restriction is to protect the nesting period of a threatened species.

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 County Road 557 and Little West 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.

7 - Other Conditions

7.3 - Contract Modifications

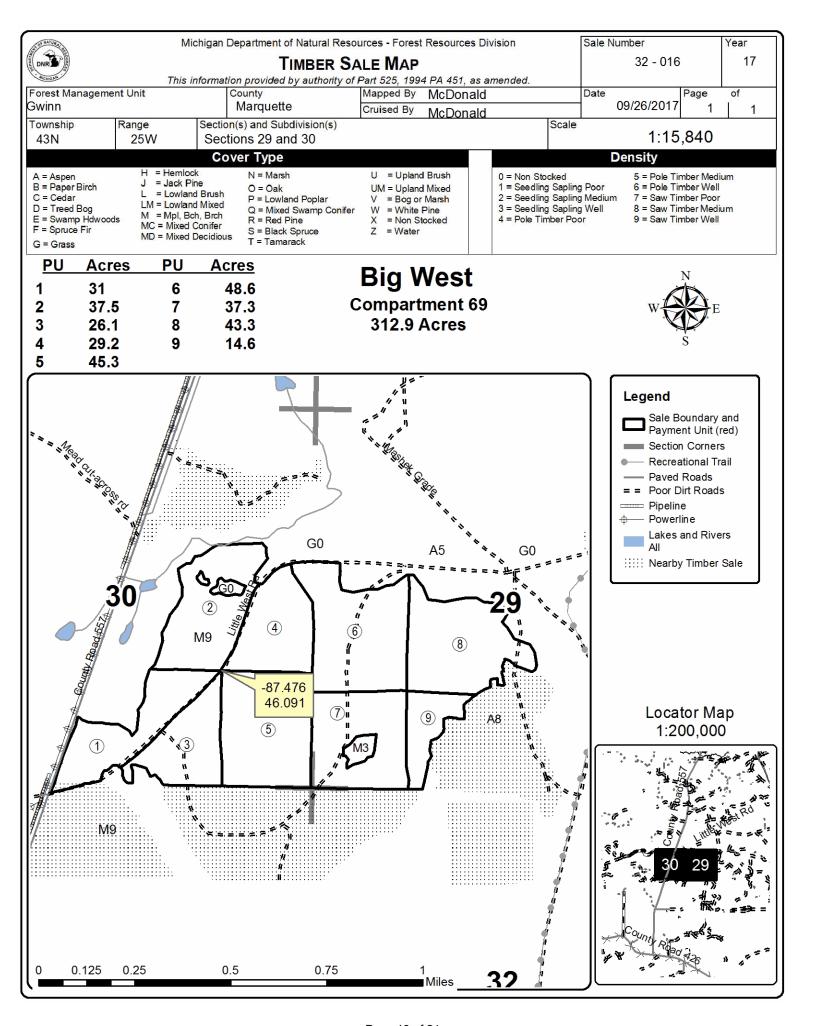
7.3.1 - Emerald Ash Borer

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.

Section Name: Sale Specific Current as of 1/26/2018 1:26:12PM



| Page 20 o | f 24 |
|-----------|------|
|-----------|------|

TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

GWINN MANAGEMENT UNIT

GWINN OFFICE

<u>Little East (32-001-17)</u>; Marguette COUNTY

In response to the notice of sale to be held 1:00 p.m. (local time) on February 26, 2018, 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 Sawtimber | <u>ESTIMATED</u> | VOLUME* | <u>AD</u> | VERTISED PRICE | BID PRICE/UNIT |
|------------------------------|------------------|---------|-----------|----------------|----------------|
| Basswood | 41.80 | MBF | \$ | 135.00/MBF | \$ |
| Red Maple | 0.10 | MBF | \$ | 113.00/MBF | \$ |
| Sugar Maple | 23.00 | MBF | \$ | 290.00/MBF | \$ |
| Pulpwood | | | | | |
| Balsam Fir | 162.00 | Cords | \$ | 38.65/Cord | \$ |
| Balsam Poplar | 2.00 | Cords | \$ | 33.50/Cord | \$ |
| Basswood | 238.00 | Cords | \$ | 12.90/Cord | \$ |
| Quaking Aspen | 176.00 | Cords | \$ | 33.50/Cord | \$ |
| Red Maple | 23.00 | Cords | \$ | 22.70/Cord | \$ |
| Sugar Maple | 535.00 | Cords | \$ | 22.70/Cord | \$ |
| White Spruce | 41.00 | Cords | \$ | 30.90/Cord | \$ |

^{*}The volumes are statistically estimated within plus (+) or minus (-) 15.55 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

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

| | FEDERAL ID: | or SOCIAL SECU | JRTTY NUMBER: | | | | | |
|------------|---------------------------------------|--------------------|----------------------|---------------|--|--|--|--|
| | Company or individual bidding: | | | | | | | |
| | Company representative's name: | | | | | | | |
| | Address: | | | | | | | |
| | City: | State: | Zip: | | | | | |
| IF AVAIL | ABLE, PLEASE PLACE THE PERSO | NALIZED LABEL FROM | YOUR PROSPECTUS IN T | HE ABOVE BOX. | | | | |
| Individual | or company representative's signature | re: | | Date: | | | | |
| Phone nu | ımber : | Email (d | optional): | | | | | |

THE WINNING BIDDER MUST COMPLETE THE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE (ON REVERSE SIDE IF DOUBLE SIDED) WITHIN 21 DAYS OF SALE AWARD DATE



Michigan Department of Natural Resources Forest Resources Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 5 of Act 451 of 1994, as amended.

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

 This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.

| • | In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within twenty-one (21) days of the contract award and prior to the issuance of the timber sale contract. | | | | | | |
|------------|--|---|--|--|--|--|--|
| • | All Information must be typed or printed except for written signatures. | | | | | | |
| Ple | Please Check Appropriate Categories: | | | | | | |
| 1. | My business is organized as (you must check <u>one</u> of the boxes below): A. □ Sole Proprietorship (individual) B. □ Partnership C. □ Corporation | | | | | | |
| 2. | You must check one of the boxes below: A. ☐ I certify 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 my business has satisfied its o bligation 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 my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within twenty-one (21) days of the contract award. If you have checked item 2(A) or 2(B), you must indicate the number of both full-time and part-time employees, othe than yourself, including family members and active partners (if none, you must enter "0"). | | | | | | |
| | Full-time Employees | Part-time Employees | | | | | |
| Nam | ame of Business | Federal ID (or) Social Security No. | | | | | |
| Add | ddress | Telephone () | | | | | |
| City | ty State | ZIP | | | | | |
| in fa _ | hereby certify that the above information is true and correct. factors affecting my coverage during any of my present and Signature of Owner or Authorized Representative | I agree to notify the Michigan DNR of any changes that occur future operations. | | | | | |
| T | Title | Date | | | | | |

Please complete the "SEALED BID" information on the next page

PR 4031-5 (Rev. 10/30/2012)

TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

GWINN MANAGEMENT UNIT GWINN OFFICE

Big West (32-016-17); Marquette COUNTY

In response to the notice of sale to be held 1:00 p.m. (local time) on February 26, 2018, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

| PRODUCTS & SPECIES | <u>ESTIMATED</u> | VOLUME* | ADVERTISED PRICE | | BID PRICE/UNIT |
|--------------------|------------------|---------|------------------|------------|----------------|
| Sawtimber | | | | | |
| Basswood | 36.70 | MBF | \$ | 135.00/MBF | \$ |
| Sugar Maple | 185.10 | MBF | \$ | 290.00/MBF | \$ |
| Pulpwood | | | | | |
| Basswood | 243.00 | Cords | \$ | 12.90/Cord | \$ |
| Mixed Hardwood | 2,032.00 | Cords | \$ | 22.70/Cord | \$ |
| Quaking Aspen | 41.00 | Cords | \$ | 33.50/Cord | \$ |

*The volumes are statistically estimated within plus (+) or minus (-) 11.11 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

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

| | FEDERAL ID: | or SOCIAL SECU | RITY 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 : Em | | | ptional): | | | |

THE WINNING BIDDER MUST COMPLETE THE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE (ON REVERSE SIDE IF DOUBLE SIDED) WITHIN 21 DAYS OF SALE AWARD DATE



Michigan Department of Natural Resources Forest Resources Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 5 of Act 451 of 1994, as amended.

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

 This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.

| • | In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within twenty-one (21) days of the contract award and prior to the issuance of the timber sale contract. | | | | |
|--------------------------------------|---|---|--|--|--|
| • | All Information must be typed or printed except for written signatures. | | | | |
| Please Check Appropriate Categories: | | | | | |
| 1. | My business is organized as (you must check <u>one</u> of the boxes below): A. ☐ Sole Proprietorship (individual) B. ☐ Partnership C. ☐ Corporation | | | | |
| 2. | You must check one of the boxes below: A. | | | | |
| | than yourself, including family members and active partners. Full-time Employees | | | | |
| Nan | ame of Business | Federal ID (or) Social Security No. | | | |
| Add | Idress | Telephone () | | | |
| City | ty State | ZIP | | | |
| in f | nereby certify that the above information is true and correct. factors affecting my coverage during any of my present and Signature of Owner or Authorized Representative | I agree to notify the Michigan DNR of any changes that occur future operations. | | | |
| Ī | Title | Date | | | |

Please complete the "SEALED BID" information on the next page

PR 4031-5 (Rev. 10/30/2012)