

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #6246

SCHEDULED SALE DATE AND TIME: 1:00 p.m. (local time) on November 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:

 $\underline{\text{Wild ELF Winter}} \ (32\text{-}011\text{-}18) \ / \ \text{T45N}, \ \text{R28W}, \ \text{SEC. 27}, \ \text{S1/2NW,SWNE,SW,NWSE}.$

T45N, R28W, SEC. 28, SENE, NESE.

T45N, R28W, SEC. 34, N1/2NW, SENW, SW, NWSE.

Marquette County, Advertised Price \$117,512.50, 152.8 Acres, Aspen, Spruce/Fir/Tamarack.

SALE NOTE: This sale will require a temporary bridge. There will also be significant areas of winter road needed to access multiple units. Due to the winter road, Payment Units 4, 5, and 6 are restricted to winter operations. Payment Units 1, 2, and 3 have wet conifer inclusions and dry summer or winter operations are encouraged for these units. 100 yards of pit run will need to be placed on the Camp Hope Road to prepare it for hauling.

Old Kates Grade Softwood (32-012-18) / T45N, R28W, SEC. 27, E1/2NE,NESE.

Marquette County, Advertised Price \$32,775.60, 55.6 Acres, Spruce/Fir/Tamarack, Aspen.

SALE NOTE: This sale can only be accessed through private land. The Purchaser is responsible for obtaining access permission prior to biding. A portable bridge may be needed on private ground to access sale. Also note that this is a low ground sale and can only be cut in the winter. Significant snow plowing will be needed to harvest sale.

Access may be through private land.

BID INSTRUCTIONS (VER. 07/02/2018):

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 November 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 (7/18)

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 3 months after the first offense, 6 months after the second offense, and 1 year after the third offense. An offense will only be counted against the Bidder for 5 years. 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

Wild ELF Winter (32-011-18)

T45N, R28W, SEC. 27; T45N, R28W, SEC. 28; T45N, R28W, SEC. 34.

Marquette County (Advertised Price \$117,512.50)

SALE NOTE: This sale will require a temporary bridge. There will also be significant areas of winter road needed to access multiple units. Due to the winter road, Payment Units 4, 5, and 6 are restricted to winter operations. Payment Units 1, 2, and 3 have wet conifer inclusions and dry summer or winter operations are encouraged for these units. 100 yards of pit run will need to be placed on the Camp Hope Road to prepare it for hauling.

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	<u>ESTIMATE</u>	ESTIMATED UNITS*		ERTISED PRICE
Pulpwood				
Balsam Fir	620.00	Cords	\$	29.95 / Cord
Jack Pine	2.00	Cords	\$	43.70 / Cord
Mixed Aspen	2,012.00	Cords	\$	36.50 / Cord
Mixed Hardwood	62.00	Cords	\$	22.60 / Cord
Mixed Spruce	554.00	Cords	\$	31.80 / Cord
Paper Birch	116.00	Cords	\$	29.45 / Cord
Tamarack	102.00	Cords	\$	29.25 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 10.62 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 \$5,876.00 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	26.7%
02	26.3%
03	16.9%
04	4.3%
05	13.5%
06	12.3%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 07/31/2023.

Description of Timber by Payment Unit (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Balsam Fir	Pulpwood	93.0	Cords	46.3	\$31,346.15
	Jack Pine	•	2.0	Cords		
	Mixed Aspen		636.0	Cords		
	B. T. Aspen		20.0	Cords		
	Balsam Poplar		90.0	Cords		
	Quaking Aspen		526.0	Cords		
	Mixed Hardwood		17.0	Cords		
	Black Cherry		10.0	Cords		
	Sugar Maple		7.0	Cords		
	Mixed Spruce		109.0	Cords		
	Black Spruce		5.0	Cords		
	White Spruce		104.0	Cords		
	Paper Birch		25.0	Cords		
	Tamarack		23.0	Cords		
2	Balsam Fir	Pulpwood	116.0	Cords	26.7	\$30,903.0
_	Mixed Aspen	i dipwood	632.0	Cords	20.7	φου,σου.σι
	Balsam Poplar		59.0	Cords		
	Quaking Aspen		573.0	Cords		
	Mixed Hardwood		38.0	Cords		
	Basswood		3.0	Cords		
	Black Cherry		2.0	Cords		
	Sugar Maple		33.0	Cords		
	Mixed Spruce		87.0	Cords		
	Black Spruce		9.0	Cords		
	White Spruce		78.0	Cords		
	Paper Birch		21.0	Cords		
	Tamarack		4.0	Cords		
3	Balsam Fir	Pulpwood	115.0	Cords	22.8	\$19,908.6
3	Mixed Aspen	Fulpwood	402.0	Cords	22.0	\$19,900.0
	Balsam Poplar		58.0	Cords		
	Quaking Aspen		344.0	Cords		
	Mixed Hardwood			1		
			7.0	Cords		
	Black Cherry		7.0	Cords		
	Mixed Spruce		44.0	Cords		
	White Spruce		44.0	Cords		
	Tamarack	D. I	8.0	Cords	44.5	05.000.0
4	Balsam Fir	Pulpwood	28.0	Cords	11.5	\$5,098.2
	Mixed Aspen		59.0	Cords		
	Quaking Aspen		59.0	Cords		
	Mixed Spruce		57.0	Cords		
	Black Spruce		41.0	Cords		
	White Spruce		16.0	Cords		
	Paper Birch		5.0	Cords		
	Tamarack		5.0	Cords		
5	Balsam Fir	Pulpwood	102.0	Cords	24.9	\$15,854.1
	Mixed Aspen		195.0	Cords		
	Quaking Aspen		195.0	Cords		
	Mixed Spruce		128.0	Cords		
	Black Spruce		35.0	Cords		
	White Spruce		93.0	Cords		
	Paper Birch		13.0	Cords		
	Tamarack		42.0	Cords		
6	Balsam Fir	Pulpwood	166.0	Cords	20.6	\$14,402.3
	Mixed Aspen		88.0	Cords		
	Balsam Poplar		4.0	Cords		

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

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
6 con't	Mixed Spruce	Pulpwood	129.0	Cords		
	Black Spruce		16.0	Cords		
	White Spruce		113.0	Cords		
	Paper Birch		52.0	Cords		
	Tamarack		20.0	Cords		
		TOTAL:	3,468.0	Cords		

Sale Specific Conditions & Requirements

Sale Name: Wild ELF Winter Sale Number: 32-011-18 Seg#: 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. Exterior sale boundary lines against state are marked with red paint. The painted boundary line trees are not Included Timber and are to be protected.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 - 6, cut all trees that are two (2) inches or more at DBH, except do not cut red pine, white pine, cedar, oak, and hemlock.

2.1.9 - Harvest exception (12/08)

Do not cut any cedar trees other than those that are necessary to remove in order to operate within the sale area. Every effort must be made to preserve the existing cedar and to leave an intact stand upon sale completion. All cut cedar shall be piled separately by products and scaled in the woods unless other scaling arrangements are agreed to by the Unit Manager or his/her representative. Stumpage price for cedar shall be \$40.00 per cord for posts and pulpwood, and \$90.00 per cord for bolts and sawlogs.

4 - Transportation

4.1 - Construction

4.1.2 - Stream crossings, specific (3/11)

A river crossing will require the installation of a culvert or portable bridge which may be borrowed from the DNR. This installation will be performed in accordance with the specifications on the appropriate permits which shall be provided by the DNR.

4.1.3 - Slash and earthen piles (8/04)

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

4.1.4 - Timber removed for construction (12/09)

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

4.1.6 - Road construction (1/09)

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

4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days. Contact the sale administrator for specific details of design and placement.

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

The following road work is required: Place 100 yards of pit run in holes and other areas needed to prepare the Camp Hope

Road for hauling.

4.1.11 - Permits (2/12)

The DNR will secure any necessary stream crossing 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 may occur during wet weather conditions.

4.2.2 - Fill material (4/07)

To maintain roads, fill material may be needed in areas where "holes" exist or may be expected to develop. This fill material should be placed before trucking begins.

4.2.3 - Road maintenance (8/13)

The following road maintenance may be needed: Within 30 days of completion of hauling, or if no hauling occurs for 30 days, the road must be maintained and graded. This includes cleaning of drainage areas, grading, crowning and filling with gravel, if necessary. Damages will be assessed if grading/repair does not occur.

4.2.4 - Grading (10/16)

For completion of the sale, state forest roads must be graded. In general, this will require a road grader or bull dozer to shape up the roads after forest products have been hauled off site. This includes cleaning of drainage areas, grading, crowning and filling with gravel, if necessary. The grading equipment to be used must be approved by the Unit Manager or his/her representative.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/16)

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 sale administrator must be contacted at least 3 business days in advance to schedule the conference.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.11 - Slash for reforestation (5/07)

To facilitate reforestation, the sale area shall be left with slash evenly distributed. Bunched tops within the cutting area shall be broken up and scattered. Stumps shall be cut low to the ground. Processing sites shall not be left with a compacted layer of slash; tops from these sites shall be hauled back into the cut area and scattered.

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (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

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 4, 5, and 6, unless changed by written agreement, cutting, skidding, and hauling are limited to the period of December 1 to March 31. This restriction is because of wet soil conditions in units and access roads to these units

5.2.3.11 - Coppice regeneration protection (4/10)

Timber harvesting in any Payment Unit must be completed before significant aspen sprouting occurs in that Payment Unit so as to minimize damage to the new regeneration. Any post harvest operations, such as chipping, must be completed before sprouting of regeneration occurs. If it is anticipated that chipping will be delayed, then tops shall be carried to one central location or left unchipped. The Unit Manager or his/her representative may cease such operations if sprouting occurs before the operation is complete.

5.2.17 - Crane Mats/Timber Mats (9/17)

Some roads or skid trails may require extra protection such as that afforded by Crane Mats/Timber Mats. If available, Crane Mats/Timber Mats may be borrowed from the DNR and are located at the Marquette ICC, the Newberry Field Office and the Grayling Field Office. Contact the sale administrator for specific details. A Timber Sale Contract Supplement will be used to document the Purchaser's use of the DNR's Crane Mats/Timber Mats. It is the responsibility of the Purchaser to contact the sale administrator to schedule pick up and drop off. In addition, all mats must be cleaned prior to drop off. A charge of \$125.00 will be assessed for all damaged or non-returned mats. Damage is defined as misuse resulting in three or more broken cants.

5.2.22 - Operating Caution

5.2.22.1 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s) 1, 2, and 3, cutting, skidding, and hauling occur during dry summer or frozen winter conditions. The reason for the recommendation is due to inclusion of lowland conifer within these payment units.

5.2.32 - Decking/landing restoration (9/13)

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

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

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

5.2.40 - Pathway protection (10/10)

The access road into Payment Units 1, 2, and 3 is a hunter hiking trail and is shown on the Timber Sale Map. Maintain a 20-foot wide slash, debris, and rut free zone daily, using the pathway as the centerline.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (7/16)

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

5.4.2 - Skid trails (2/04)

Skid trails up and down slopes should be avoided. If however this is unavoidable, these trails will be left in a non-erodible condition using water bars, logs, and slash. Placing of slash on these skid trails while logging is ongoing may alleviate need for any further action. At the direction of the sale administrator, seed, fertilizer, and mulch may also be required.

5.4.3 - Erosion control (12/08)

Skid trails or haul roads may require erosion control structures or berms per direction of the Unit Manager or his/her representative.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (3/13)

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

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 Camp Hope 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.

7 - Other Conditions

7.3 - Contract Modifications

7.3.1 - Emerald Ash Borer

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

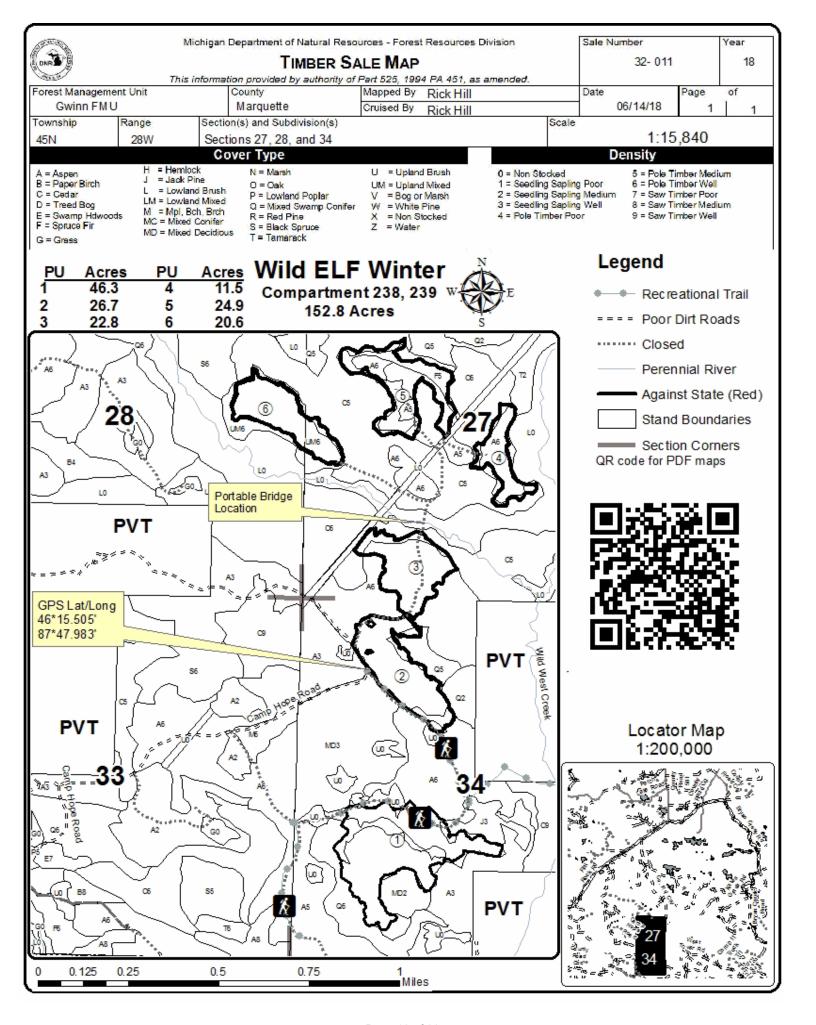
There is ash and/or "firewood" in this sale and it is located within an emerald ash borer quarantined area. The Director of the Michigan Department of Agriculture (MDA) by the authority of Act No. 72 of the Public Acts of 1945, as amended, and Quarantine Regulation No. 620, has promulgated this quarantine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

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from spruce 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 10/22/2018 11:36:55AM



TIMBER SALE INFORMATION

Old Kates Grade Softwood (32-012-18)

T45N, R28W, SEC. 27.

Marquette County (Advertised Price \$32,775.60)

SALE NOTE: This sale can only be accessed through private land. The Purchaser is responsible for obtaining access permission prior to biding. A portable bridge may be needed on private ground to access sale. Also note that this is a low ground sale and can only be cut in the winter. Significant snow plowing will be needed to harvest sale.

Access may be through private land.

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

PRODUCTS & SPECIES	ESTIMATED UNITS*		ADVERTISED PRICE		
Pulpwood					
Balsam Fir	88.00	Cords	\$	25.95 / Cord	
Jack Pine	57.00	Cords	\$	37.90 / Cord	
Mixed Spruce	603.00	Cords	\$	27.55 / Cord	
Paper Birch	72.00	Cords	\$	25.50 / Cord	
Quaking Aspen	92.00	Cords	\$	31.65 / Cord	
Tamarack	275.00	Cords	\$	25.35 / Cord	

^{*} The total volume is statistically estimated within plus (+) or minus (-) 14.29 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 \$1,639.00 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 remainder is due before cutting begins.
 - (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

100.0%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 07/31/2023.

Description of Timber by Payment Unit (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Balsam Fir	Pulpwood	88.0	Cords	55.6	\$32,775.60
	Jack Pine		57.0	Cords		
	Mixed Spruce		603.0	Cords		
	Black Spruce		477.0	Cords		
	White Spruce		126.0	Cords		
	Paper Birch		72.0	Cords		
	Quaking Aspen		92.0	Cords		
	Tamarack		275.0	Cords		
		TOTAL:	1,187.0	Cords		

Sale Specific Conditions & Requirements

Sale Name: Old Kates Grade Softwood Sale Number: 32-012-18 Seg#: 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 blue and red paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. The painted boundary line trees are not Included Timber and are to be protected.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, cut all trees which meet minimum piece specifications in 2.2 Utilization, except do not cut red pine, white pine, cedar, or hemlock.

2.1.9 - Harvest exception (12/08)

Do not cut any cedar trees other than those that are necessary to remove in order to operate within the sale area. Every effort must be made to preserve the existing cedar and to leave an intact stand upon sale completion. All cut cedar shall be piled separately by products and scaled in the woods unless other scaling arrangements are agreed to by the Unit Manager or his/her representative. Stumpage price for cedar shall be \$45.00 per cord for posts and pulpwood, and \$90.00 per cord for bolts and sawlogs.

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. There will be only one division per Payment Unit.

4 - Transportation

4.1 - Construction

4.1.3 - Slash and earthen piles (8/04)

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

4.1.4 - Timber removed for construction (12/09)

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

4.1.6 - Road construction (1/09)

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

4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. Some existing roads may also need to be closed, see the Timber Sale Map for locations. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. All

stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. Contact the sale administrator for specific details of design and placement.

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the Purchaser.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/16)

A pre-sale conference between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations. The sale administrator must be contacted at least 3 business days in advance to schedule the conference.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.11 - Slash for reforestation (5/07)

To facilitate reforestation, the sale area shall be left with slash evenly distributed. Bunched tops within the cutting area shall be broken up and scattered. Stumps shall be cut low to the ground. Processing sites shall not be left with a compacted layer of slash; tops from these sites shall be hauled back into the cut area and scattered.

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (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

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1, unless changed by written agreement, cutting, skidding, and hauling are limited to the period of December 1 to March 31. This restriction is because wet conditions within the stand.

5.2.32 - Decking/landing restoration (9/13)

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

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

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

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (7/16)

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

5.4.2 - Skid trails (2/04)

Skid trails up and down slopes should be avoided. If however this is unavoidable, these trails will be left in a non-erodible condition using water bars, logs, and slash. Placing of slash on these skid trails while logging is ongoing may alleviate need for any further action. At the direction of the sale administrator, seed, fertilizer, and mulch may also be required.

5.7 - Protection of Historical Sites

5.7.1 - Historical sites (7/12)

The Purchaser shall not cut live or dead trees or operate equipment within historical sites. Historical sites are marked with a red boundary line. The Purchaser shall protect historical sites from damage by the Purchaser's operations. If Purchaser's

operations have cut or damaged historical sites through carelessness, the Purchaser shall pay \$300.00 as fixed, agreed and liquidated damages for each acre or part thereof cut or damaged.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (3/13)

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

7 - Other Conditions

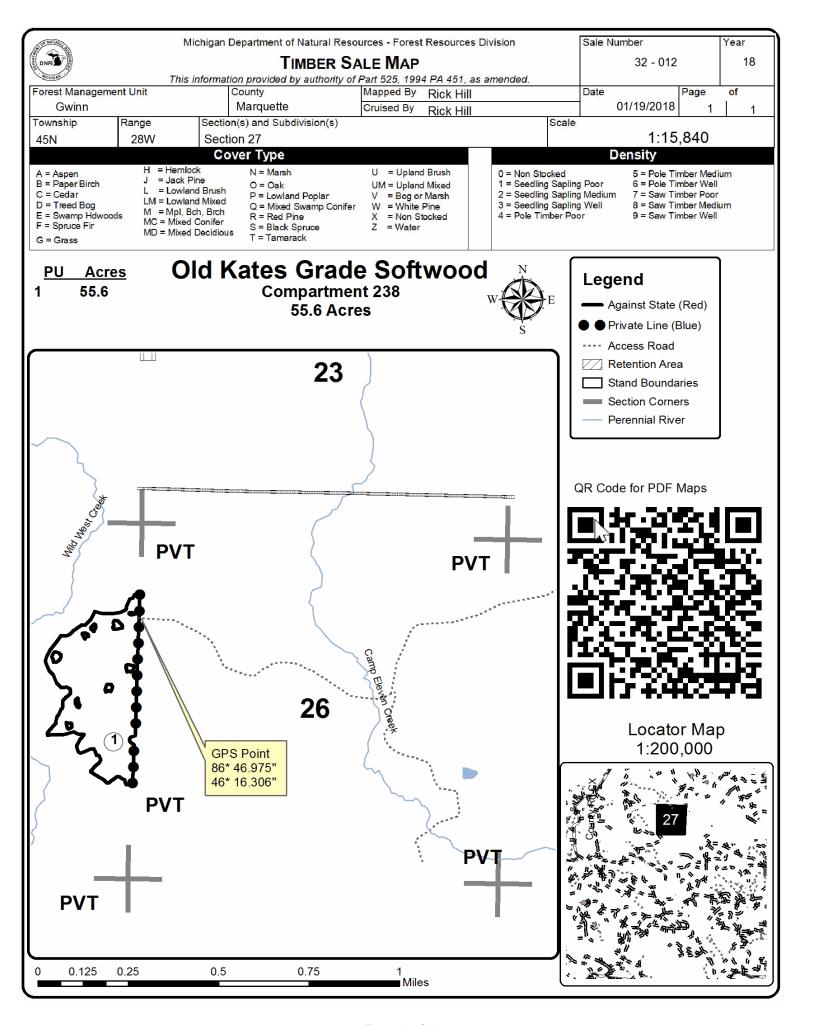
7.3 - Contract Modifications

7.3.1 - Emerald Ash Borer

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

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

Section Name: Sale Specific Current as of 10/22/2018 11:56:23AM



FEDERAL ID:

BID FORM

GWINN MANAGEMENT UNIT

GWINN OFFICE

Wild ELF Winter (32-011-18)

T45N, R28W, SEC. 27; T45N, R28W, SEC. 28; T45N, R28W, SEC. 34; Marguette

In response to the notice of sale to be held 1:00 p.m. (local time) on November 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	ESTIMATED VOLUME*		AD\	<u>/ERTISED PRICE</u>	BID PRICE/UNIT	
Pulpwood						
Balsam Fir	620.00	Cords	\$	29.95/Cord	\$	
Jack Pine	2.00	Cords	\$	43.70/Cord	\$	
Mixed Aspen	2,012.00	Cords	\$	36.50/Cord	\$	
Mixed Hardwood	62.00	Cords	\$	22.60/Cord	\$	
Mixed Spruce	554.00	Cords	\$	31.80/Cord	\$	
Paper Birch	116.00	Cords	\$	29.45/Cord	\$	
Tamarack	102.00	Cords	\$	29.25/Cord	\$	

*The volumes are statistically estimated within plus (+) or minus (-) 10.62 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.

					
	Company or individ	dual bidding:			
	Company represen	ntative's name:			Ш
	Address:				
	City:	State:	Zip:		
IF AVAIL	ABLE, PLEASE PLA	CE THE PERSONALIZED LABEL FR	ROM YOUR PROS	SPECTUS IN THE ABOVE BOX.	_
Individual	or company represe	entative's signature:		Date:	
Phone nu	ımber :	Ema	ail (optional):		

or SOCIAL SECURITY NUMBER:

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 217 P. A. 1060 (Marker's Compensation) and

Signature of Owner or Authorized Representative

Title

	Part 5 of Act 451 of 1994, as a					
VE	RIFICATION OF WORKER'S DISABILITY	Y COMPENSATION	ON ACT COMPLIANCE			
 This verification must be completed and submitted within 21 days of contract award and prior to the issuance o sale contract. 						
•	In addition, if boxes 2B or 2C are checked twenty-one (21) days of the contract award		Exclusion or Certificate of Insurance must be submitted within ssuance of the timber sale contract.			
•	All Information must be typed or printed ex	xcept for written s	ignatures.			
Ple	ease Check Appropriate Categories:					
1.	My business is organized as (you must of A. ☐ Sole Proprietorship (individual) B. ☐ Partnership C. ☐ Corporation	check <u>one</u> of the t	poxes below):			
2.	Worker's Compensation Laws.	rship and it has no	employees but the sole proprietor. I am not subject to the ker'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 Coone (21) days of the contract award.	ompensation Policy	. I will provide an original Certificate of Insurance within twenty-			
3.	If you have checked item 2(A) or 2(B), y than yourself, including family members a		e the number of both full-time and part-time employees, other rs (if none, you must enter "0").			
	Full-time Em	ployees	Part-time Employees			
Nam	ne of Business		Federal ID (or) Social Security No.			
Address			Telephone ()			
City	,	State	ZIP			
	ereby certify that the above information is to actors affecting my coverage during any of		I agree to notify the Michigan DNR of any changes that occur future operations.			

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

Date

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

BID FORM

GWINN MANAGEMENT UNIT

GWINN OFFICE

Old Kates Grade Softwood (32-012-18) T45N, R28W, SEC. 27; Marguette COUNTY

In response to the notice of sale to be held 1:00 p.m. (local time) on November 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>	<u>MATED VOLUME*</u>		<u>'ERTISED PRICE</u>	BID PRICE/UNIT	•
Pulpwood						
Balsam Fir	88.00	Cords	\$	25.95/Cord	\$	
Jack Pine	57.00	Cords	\$	37.90/Cord	\$	
Mixed Spruce	603.00	Cords	\$	27.55/Cord	\$	
Paper Birch	72.00	Cords	\$	25.50/Cord	\$	
Quaking Aspen	92.00	Cords	\$	31.65/Cord	\$	
Tamarack	275.00	Cords	\$	25.35/Cord	\$	

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

	FEDERAL ID:	or SOCIAL	SECURITY NUMBER:	:			
	Company or individual biddir	ng:		<u></u>			
	Company representative's name:						
	Address:						
	City:	State:	Zip:				
IF AVAIL	ABLE, PLEASE PLACE THE I	PERSONALIZED LABEL	FROM YOUR PROSPE	ECTUS IN THE ABOVE BOX.	_		
Individual or company representative's signature: Date:							
Phone nu	ımber :	E	Email (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

^{*}The volumes are statistically estimated within plus (+) or minus (-) 14.29 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.



Title

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)				
5				
Forest Management Unit:				

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

2. You **must** check <u>one</u> of the boxes below:

VE	RIFICATION 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 withit 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	ease Check Appropriate Categories:				
1.	My business is organized as (you must check <u>one</u> of the boxes below):				
	A. Sole Proprietorship (individual)				
	B. Partnership				
	C. Corporation				

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.

3. If you have checked item 2(A) or 2(B), you must indicate the number of both full-time and part-time employees, other

than yourself, including family members and active partners (if none, you must enter "0").

Full-time En	nployees	Part-time Employees	
Name of Business		Federal ID (or) Social Security No.	
Address		Telephone ()	
City	State	ZIP	

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

Signature of Owner or Authorized Representative

Date

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

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