



**DEPARTMENT OF NATURAL RESOURCES
STATE OF MICHIGAN**

TIMBER SALE PROSPECTUS #6804

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on March 4, 2021.

LOCATION: **NEWBERRY MGMT UNIT, 5666 S STATE HWY M 123, NEWBERRY, MI 49868.**

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

Penguin Parade Lowlands (42-007-20) / T46N, R10W, SEC. 7 , NWNW,S1/2NW,SWNE,N1/2SW,NWSE.
Luce County, Advertised Price \$32,801.40, 165.5 Acres, Spruce/Fir/Tamarack, Hardwood.

SALE NOTE: Harvesting is limited to the period of December 1 to April 1 due to wet soil conditions.

Silver Creek Trail is an ORV trail or route and is shown on the Timber Sale Map. See Sale Spec. 5.2.39 for additional information.

Silver Creek Trail is a snowmobile trail and is shown on the Timber Sale Map. See Sale Spec. 5.2.41 for restrictions.

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.

Camp 6 Red Pine (42-008-20) / T46N, R10W, SEC. 5 , SESE.
T46N, R10W, SEC. 8 , NE.

Luce County, Advertised Price \$30,914.90, 47.6 Acres, Red Pine, Hardwood.

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

Silver Creek Trail is an ORV trail or route and is shown on the Timber Sale Map. See Sale Spec. 5.2.39 for additional information.

A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions.

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

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

Bids must be received by the Unit Manager, NEWBERRY OFFICE, 5666 S STATE HWY M 123, NEWBERRY, MI 49868, no later than 3:00 p.m. (local time) on March 4, 2021. For further information concerning this sale, contact Keith Magnusson at 906-293-3293 extension 4740.

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.

DAN EICHINGER
Director

TIMBER SALE INFORMATION

Penguin Parade Lowlands (42-007-20)
T46N, R10W, SEC. 7.
Luce County (Advertised Price \$32,801.40)

SALE NOTE: Harvesting is limited to the period of December 1 to April 1 due to wet soil conditions.

Silver Creek Trail is an ORV trail or route and is shown on the Timber Sale Map. See Sale Spec. 5.2.39 for additional information.

Silver Creek Trail is a snowmobile trail and is shown on the Timber Sale Map. See Sale Spec. 5.2.41 for restrictions.

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. All units of volume listed below were estimated using the T-Sale computer program and our traditional volume equations. Bids must be at or above the following advertised price for each product and species:

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|-------------------------|-------------------------|
| Sawtimber | | |
| Paper Birch | 17.0 MBF | \$ 25.00 / MBF |
| Red Maple | 8.4 MBF | \$ 71.00 / MBF |
| Pulpwood | | |
| Balsam Fir | 137 Cords | \$ 9.00 / Cord |
| Black Spruce | 1,121 Cords | \$ 11.75 / Cord |
| Mixed Hardwood | 825 Cords | \$ 11.65 / Cord |
| N. White Cedar | 728 Cords | \$ 4.15 / Cord |
| Quaking Aspen | 282 Cords | \$ 13.80 / Cord |
| White Pine | 56 Cords | \$ 15.20 / Cord |

* The total volume is statistically estimated within plus (+) or minus (-) 8.30 percent. There are an estimated 3,201 cords on this timber sale, plus or minus 266 cords at the 95% confidence level. 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 \$1,640.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
3. Total payment must be paid in advance or according to the following schedule :
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

| PAYMENT UNIT NUMBER | PERCENT OF TOTAL SALE VALUE |
|---------------------|-----------------------------|
| 01 | 40.0% |
| 02 | 20.8% |
| 03 | 13.4% |
| 04 | 25.8% |

4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 06/30/2025.

SALE STATISTICS

SALE VOLUMES

| VOLUME | | STATISTICAL RANGE IN CORDS | | |
|------------------|-------------|----------------------------|---------|---------|
| TOTAL CUBIC FEET | TOTAL CORDS | PERCENT ERROR | MINIMUM | MAXIMUM |
| 252,879 | 3,201 | 8.30% | 2,935 | 3,467 |

VDU VOLUMES

A VDU is a Volume Determination Unit. Volumes and their associated statistics are calculated at the VDU level and summarized to the sale level. There is often a one to one relationship between a VDU and a Payment Unit, but not always, depending on the cruise design. Refer to the VDU TO PAYMENT UNIT table.

| VDU | VOLUME | | PERCENT ERROR | RANGE IN CORDS | |
|---------------|------------------|--------------|---------------|----------------|--------------|
| | TOTAL CUBIC FEET | TOTAL CORDS | | MINIMUM | MAXIMUM |
| 66 | 97,289 | 1,232 | 11.64% | 1,088 | 1,375 |
| 631 | 55,640 | 704 | 18.75% | 572 | 836 |
| 632 | 37,612 | 476 | 16.80% | 396 | 556 |
| 633 | 62,339 | 789 | 18.50% | 643 | 935 |
| TOTAL: | 252,879 | 3,201 | | 2,700 | 3,702 |

VDU TO PAYMENT UNIT

When a VDU is associated with more than one Payment Unit (PU), the VDU volumes are assigned to the PU based on acres of the VDU within the PU.

| VDU | VDU ACRES | PU | PU ACRES |
|---------------|--------------|----|--------------|
| 66 | 87.6 | 1 | 87.6 |
| 631 | 24.6 | 2 | 24.6 |
| 632 | 15.6 | 3 | 15.6 |
| 633 | 37.7 | 4 | 37.7 |
| TOTAL: | 165.5 | | 165.5 |

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

| PU | MARKET GROUP | PRODUCT | QUANTITY | UNIT | ACRES | ADVERTISE PRICE |
|---------------------|---------------------|-------------|-----------|-------|-------|-----------------|
| 1 | Paper Birch | Sawtimber | 6.9 | MBF | 87.6 | \$13,130.20 |
| | Red Maple | | 5.9 | MBF | | |
| | Balsam Fir | Pulpwood | 36 | Cords | | |
| | Black Spruce | | 281 | Cords | | |
| | Mixed Hardwood | | 466 | Cords | | |
| | <i>Black Ash</i> | | 2 | Cords | | |
| | <i>Paper Birch</i> | | 221 | Cords | | |
| | <i>Red Maple</i> | | 243 | Cords | | |
| | N. White Cedar | | 241 | Cords | | |
| | Quaking Aspen | | 180 | Cords | | |
| 2 | Red Maple | Sawtimber | 2.5 | MBF | 24.6 | \$6,822.15 |
| | Balsam Fir | Pulpwood | 15 | Cords | | |
| | Black Spruce | | 335 | Cords | | |
| | Mixed Hardwood | | 86 | Cords | | |
| | <i>Red Maple</i> | | 79 | Cords | | |
| | <i>Yellow Birch</i> | | 7 | Cords | | |
| | N. White Cedar | | 218 | Cords | | |
| | Quaking Aspen | | 34 | Cords | | |
| | White Pine | | 13 | Cords | | |
| | 3 | Balsam Fir | Pulpwood | 32 | | |
| Black Spruce | | | 223 | Cords | | |
| Mixed Hardwood | | | 62 | Cords | | |
| <i>American Elm</i> | | | 6 | Cords | | |
| <i>Paper Birch</i> | | | 14 | Cords | | |
| <i>Red Maple</i> | | | 37 | Cords | | |
| <i>Yellow Birch</i> | | | 5 | Cords | | |
| N. White Cedar | | | 149 | Cords | | |
| White Pine | | | 9 | Cords | | |
| 4 | | Paper Birch | Sawtimber | 10.1 | MBF | 37.7 |
| | Balsam Fir | Pulpwood | 54 | Cords | | |
| | Black Spruce | | 282 | Cords | | |
| | Mixed Hardwood | | 211 | Cords | | |
| | <i>Black Cherry</i> | | 3 | Cords | | |
| | <i>Paper Birch</i> | | 66 | Cords | | |
| | <i>Red Maple</i> | | 134 | Cords | | |
| | <i>Yellow Birch</i> | | 8 | Cords | | |
| | N. White Cedar | | 120 | Cords | | |
| | Quaking Aspen | | 68 | Cords | | |
| | White Pine | | 34 | Cords | | |
| | TOTAL: | | | 25.4 | MBF | |
| TOTAL: | | | 3,149 | Cords | | |

Sale Specific Conditions & Requirements

Sale Name: Penguin Parade Lowlands

Sale Number: 42-007-20 Seq#: 1

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (9/19)

The sale boundary and Payment Unit boundaries are marked and identified by blue, red and yellow paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint. Retention patches are marked with red paint; no harvesting activities may occur within these areas. Yellow painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1-4, cut all trees which meet minimum piece specifications in 2.2 Utilization, except within Payment Unit 1, do not cut any hemlock, yellow birch, white pine, or any trees marked with green paint.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) 1 and 4 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 Amendment.

4 - Transportation

4.1 - Construction

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 earthen berms at strategic locations. These roads must be rendered impassable to cars and trucks. Contact the sale administrator for specific details of design and placement.

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 during wet weather conditions.

4.2.3 - Road maintenance (8/13)

The following road maintenance may be needed: 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.

4.2.5 - Two wheel drive condition (2/04)

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

5 - Operations

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.8 - Slash height (12/08)

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (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) 1-4, unless changed by written agreement, cutting, skidding, and hauling are limited to the period of December 1 to April 1. This restriction is because of the wet soil conditions.

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.

5.2.39 - ORV trail/route protection (4/18)

Silver Creek Trail is an ORV trail or route and is shown on the Timber Sale Map. Do not cut trees or damage posts with yellow ORV markers. Maintain a 20 foot wide slash, debris, and rut free zone daily using the ORV trail or route as the centerline.

5.2.41 - Snowmobile trail protection (9/11)

Silver Creek Trail is a snowmobile trail and is shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. The road maintenance/restoration must be done prior to December 1. If the trail is used for hauling, it must be graded to the satisfaction of the Unit Manager or his/her representative prior to December 1st. 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. Maintain a 20 foot wide slash, debris, and rut free zone daily using the snowmobile trail as the centerline. No decking of forest products will be permitted along the snowmobile trail. All stumps within 20 feet of the snowmobile trail must be cut at ground level.

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.

5.8 - 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 Silver Creek Road prior to beginning operations. The road must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

6.2.2 - Snowmobile trail posting (8/09)

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

6.2.3 - Recreational trail posting (2/10)

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



TIMBER SALE MAP

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

| | |
|-------------|------|
| Sale Number | Year |
| 42-007-20 | 20 |

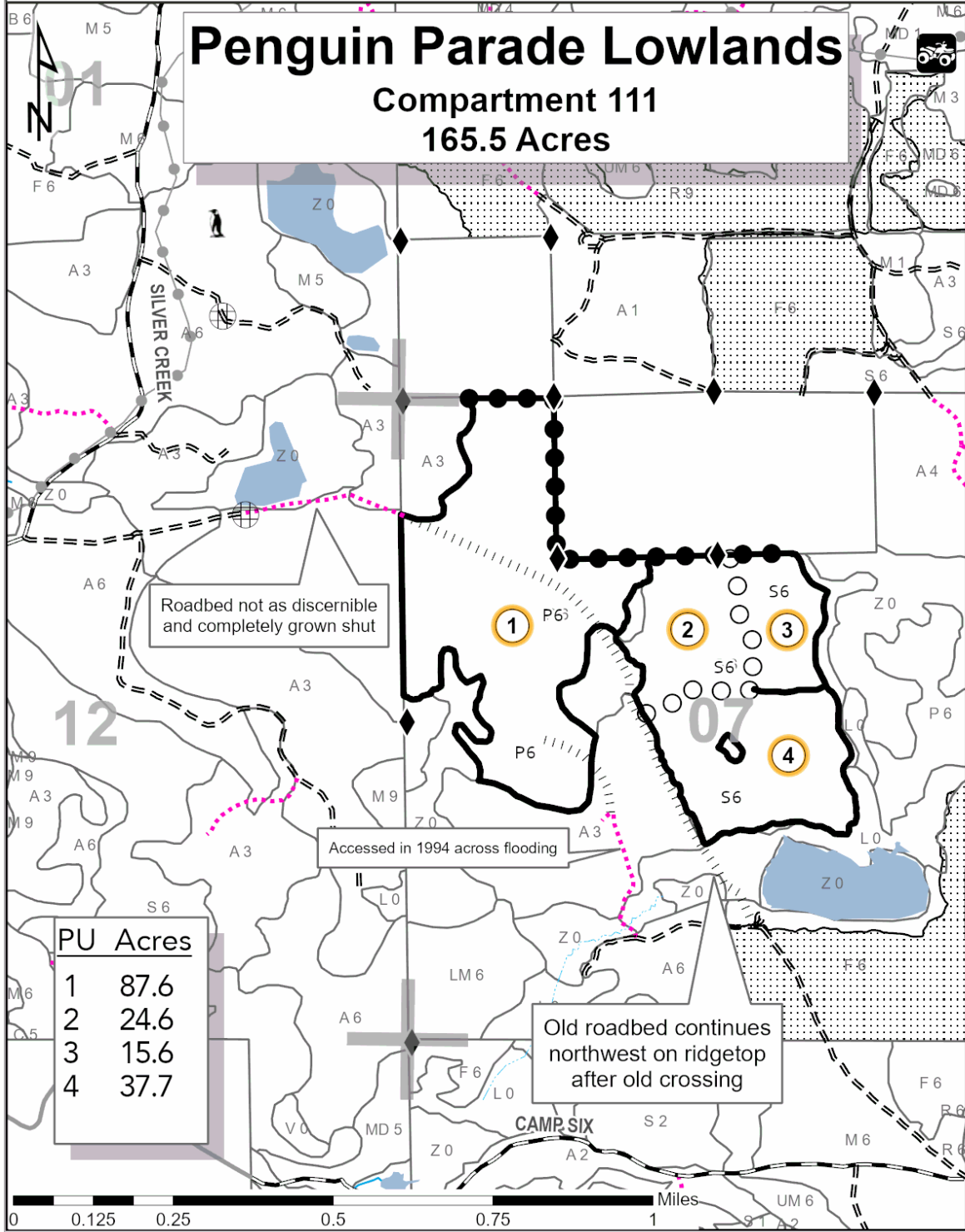
| | | | | | |
|------------------------------------|----------------|--|-------------------|-----------|---------|
| Forest Management Unit Newberry | County Luce | Mapped By Livermore | Date 5/13/2020 | Page 1 | of 1 |
| Township 46N | Range 10W | Section(s) and Subdivision(s) Section 07: NWNW, S½NW, SWNE, N½SW, NWSE | Scale 1:15,840 | | |

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

Penguin Parade Lowlands

Compartment 111

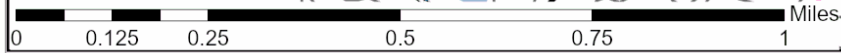
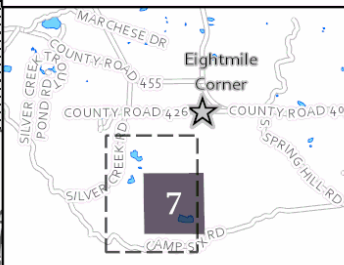
165.5 Acres



- Against State (Red)
- Payment Unit (Yellow)
- Private Line (Blue)
- Payment Unit Label
- Recreational Trail
- 01 Section Numbers
- Section Corners
- ◆ Survey Corners
- ⊕ Berms
- Primary Forest Road
- Secondary Forest Road
- Forest Access Route
- Paved Road
- Gravel Road
- County Road - Seasonal
- Private
- DNR - Management Access
- Temporary Management Access
- Intermittent Stream
- Perennial River
- Lakes and Rivers
- ▨ Retention Area
- ▨ Nearby Timber Sale selection
- Proposed Access

| PU | Acres |
|----|-------|
| 1 | 87.6 |
| 2 | 24.6 |
| 3 | 15.6 |
| 4 | 37.7 |

Locator Map: 1:200,000
 - Main Map Extent



TIMBER SALE INFORMATION

Camp 6 Red Pine (42-008-20)

T46N, R10W, SEC. 5; T46N, R10W, SEC. 8.
Luce County (Advertised Price \$30,914.90)

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

Silver Creek Trail is an ORV trail or route and is shown on the Timber Sale Map. See Sale Spec. 5.2.39 for additional information.

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. All units of volume listed below were estimated using the T-Sale computer program and our traditional volume equations. Bids must be at or above the following advertised price for each product and species:

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED UNITS*</u> | <u>ADVERTISED PRICE</u> |
|-------------------------------|-------------------------|-------------------------|
| Pulpwood | | |
| Balsam Fir | 28 Cords | \$ 9.00 / Cord |
| Mixed Hardwood | 50 Cords | \$ 11.65 / Cord |
| Paper Birch | 4 Cords | \$ 10.10 / Cord |
| Quaking Aspen | 2 Cords | \$ 13.80 / Cord |
| Red Pine | 589 Cords | \$ 50.80 / Cord |
| White Pine | 6 Cords | \$ 15.20 / Cord |

* The total volume is statistically estimated within plus (+) or minus (-) 15.54 percent. There are an estimated 679 cords on this timber sale, plus or minus 106 cords at the 95% confidence level. 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 \$1,546.00 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 | 53.9% |
| 02 | 14.3% |
| 03 | 31.8% |
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 12/31/2023.

SALE STATISTICS

SALE VOLUMES

| VOLUME | | STATISTICAL RANGE IN CORDS | | |
|------------------|-------------|----------------------------|---------|---------|
| TOTAL CUBIC FEET | TOTAL CORDS | PERCENT ERROR | MINIMUM | MAXIMUM |
| 53,643 | 679 | 15.54% | 574 | 785 |

VDU VOLUMES

A VDU is a Volume Determination Unit. Volumes and their associated statistics are calculated at the VDU level and summarized to the sale level. There is often a one to one relationship between a VDU and a Payment Unit, but not always, depending on the cruise design. Refer to the VDU TO PAYMENT UNIT table.

| VDU | VOLUME | | PERCENT ERROR | RANGE IN CORDS | |
|---------------|------------------|-------------|---------------|----------------|------------|
| | TOTAL CUBIC FEET | TOTAL CORDS | | MINIMUM | MAXIMUM |
| 13 | 53,649 | 679 | 15.54% | 574 | 785 |
| TOTAL: | 53,649 | 679 | | 574 | 785 |

VDU TO PAYMENT UNIT

When a VDU is associated with more than one Payment Unit (PU), the VDU volumes are assigned to the PU based on acres of the VDU within the PU.

| VDU | VDU ACRES | PU | PU ACRES |
|---------------|-------------|----|-------------|
| 13 | 47.6 | 1 | 25.7 |
| | | 2 | 6.8 |
| | | 3 | 15.1 |
| TOTAL: | 47.6 | | 47.6 |

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

| PU | MARKET GROUP | PRODUCT | QUANTITY | UNIT | ACRES | ADVERTISE PRICE |
|--------------------|---------------------|----------|--------------|--------------|-------|-----------------|
| 1 | Balsam Fir | Pulpwood | 15 | Cords | 25.7 | \$16,683.55 |
| | Mixed Hardwood | | 27 | Cords | | |
| | <i>Black Cherry</i> | | 1 | <i>Cords</i> | | |
| | <i>Red Maple</i> | | 23 | <i>Cords</i> | | |
| | <i>Sugar Maple</i> | | 3 | <i>Cords</i> | | |
| | Paper Birch | | 2 | Cords | | |
| | Quaking Aspen | | 1 | Cords | | |
| | Red Pine | | 318 | Cords | | |
| | White Pine | | 3 | Cords | | |
| | 2 | | Balsam Fir | Pulpwood | | |
| Mixed Hardwood | | 7 | Cords | | | |
| <i>Red Maple</i> | | 6 | <i>Cords</i> | | | |
| <i>Sugar Maple</i> | | 1 | <i>Cords</i> | | | |
| Paper Birch | | 1 | Cords | | | |
| Red Pine | | 84 | Cords | | | |
| White Pine | | 1 | Cords | | | |
| 3 | Balsam Fir | Pulpwood | 9 | Cords | 15.1 | \$9,821.30 |
| | Mixed Hardwood | | 16 | Cords | | |
| | <i>Black Cherry</i> | | 1 | <i>Cords</i> | | |
| | <i>Red Maple</i> | | 13 | <i>Cords</i> | | |
| | <i>Sugar Maple</i> | | 2 | <i>Cords</i> | | |
| | Paper Birch | | 1 | Cords | | |
| | Quaking Aspen | | 1 | Cords | | |
| | Red Pine | | 187 | Cords | | |
| | White Pine | | 2 | Cords | | |
| | TOTAL: | | | 679 | | |

Sale Specific Conditions & Requirements

Sale Name: Camp 6 Red Pine

Sale Number: 42-008-20 Seq#: 1

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (9/19)

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

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 - 3, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut all maple, cherry, paper birch, aspen and balsam trees which meet minimum piece specifications 2.2 - Utilization.

2.1.11 - Description of timber note (2/04)

Note that all red and white pine were cruised as pulp, but many are sawlog sized.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 6 inches for all trees.

4 - Transportation

4.1 - Construction

4.1.12 - No new roads (1/12)

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

4.2 - Maintenance

4.2.4 - 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

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.2 - Slash Removal

5.2.1.2.1 - Slash removal, right-of-way (9/16)

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

5.2.1.8 - Slash height (12/08)

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

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (10/16)

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

5.2.39 - ORV trail/route protection (4/18)

The Silver Creek ORV Trail is an ORV trail and is shown on the Timber Sale Map. Do not cut trees or damage posts with orange ORV markers. All stumps within 5 feet of the trail must be cut flush with the ground. Maintain a 20 foot wide slash, debris, and rut free zone daily using the ORV trail or route as the centerline. Do not run equipment down the ORV trail or route.

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

6.2.3 - Recreational trail posting (2/10)

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



TIMBER SALE MAP

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

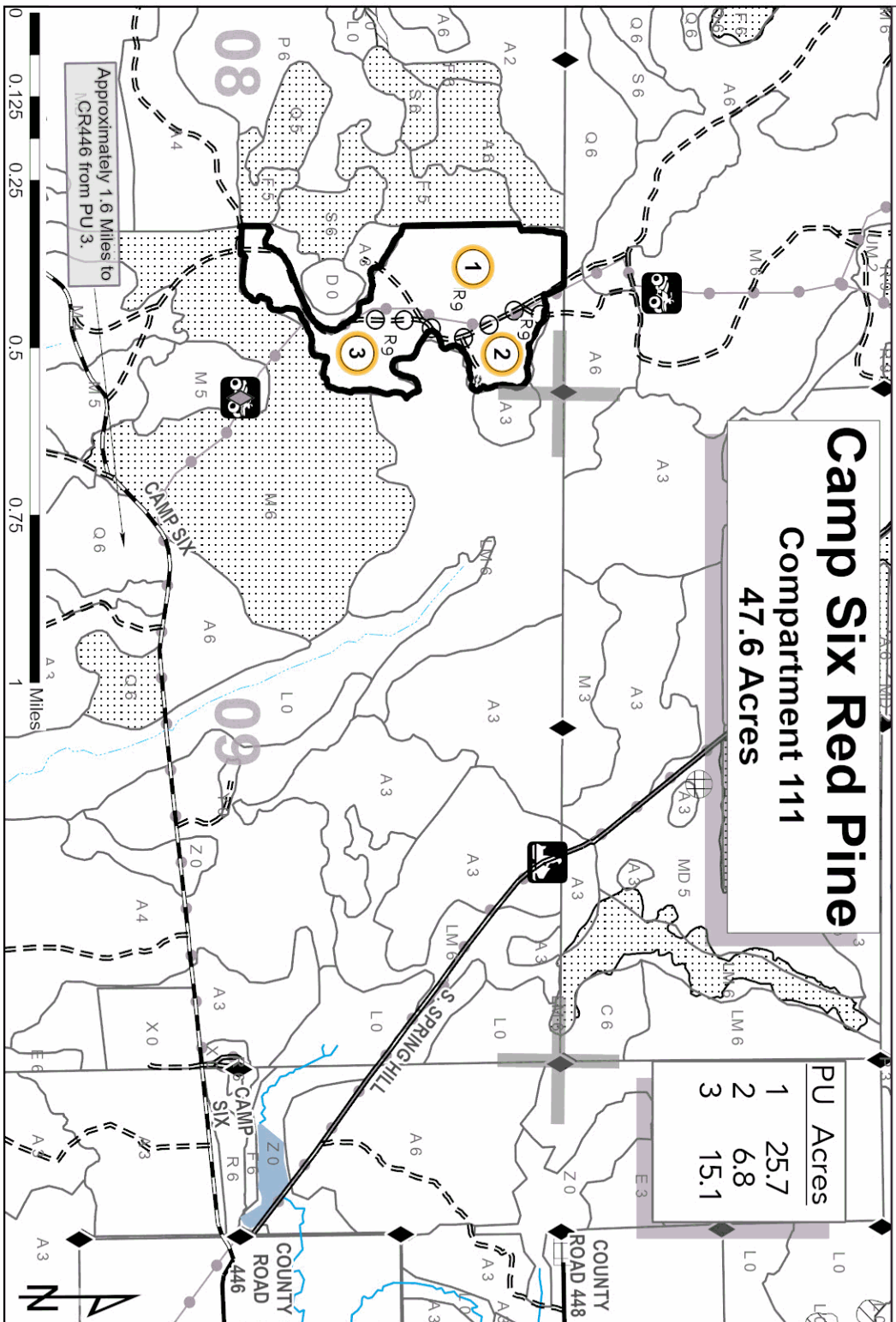
| | | | | | | | | | | | | | | | |
|------------------------|----------|--------|------|-------------------------------|---------------------------------|-------|-----------|------|---|----|---|-------------|-----------|------|------|
| Forest Management Unit | Newberry | County | Luce | Mapped By | Livermore | Date | 8/13/2020 | Page | 1 | of | 1 | Sale Number | 42-008-20 | Year | 2020 |
| Township | 46N | Range | 10W | Section(s) and Subdivision(s) | Section 05; SESE Section 08; NE | Scale | 1:15,840 | | | | | | | | |

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

Camp Six Red Pine

Compartment 111
47.6 Acres

| | | |
|----------|---|------|
| PU Acres | 1 | 25.7 |
| | 2 | 6.8 |
| | 3 | 15.1 |

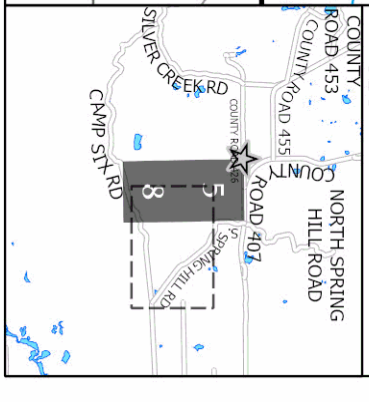


Approximately 1.6 Miles to CR446 from PU 3.



- Against State (Red)
- Payment Unit (Green)
- ORV Trails
- Snowmobile Trails
- Recreational Trail
- Section Numbers
- Section Corners
- Survey Corners
- Field Grade Corners
- Gate
- Berns
- == Primary Forest Road
- == Secondary Forest Road
- == Forest Access Route
- == Paved Road
- == Gravel Road
- County Road - Seasonal
- Private
- Temporary Management Access
- Intermittent Stream
- Perennial River
- Lakes and Rivers
- Retention Area
- Nearby Timber Sale

Locator Map: 1:200,000
- Main Map Extent



Penguin Parade Lowlands (42-007-20)
T46N, R10W, SEC. 7; Luce COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on March 4, 2021, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>ADVERTISED PRICE</u> | <u>BID PRICE/UNIT</u> |
|-------------------------------|--------------------------|-------------------------|-----------------------|
| Sawtimber | | | |
| Paper Birch | 17.0 MBF | \$ 25.00/MBF | \$ _____ |
| Red Maple | 8.4 MBF | \$ 71.00/MBF | \$ _____ |
| Pulpwood | | | |
| Balsam Fir | 137 Cords | \$ 9.00/Cord | \$ _____ |
| Black Spruce | 1,121 Cords | \$ 11.75/Cord | \$ _____ |
| Mixed Hardwood | 825 Cords | \$ 11.65/Cord | \$ _____ |
| N. White Cedar | 728 Cords | \$ 4.15/Cord | \$ _____ |
| Quaking Aspen | 282 Cords | \$ 13.80/Cord | \$ _____ |
| White Pine | 56 Cords | \$ 15.20/Cord | \$ _____ |

*The volumes are statistically estimated within plus (+) or minus (-) 8.30 percent at 95% confidence level. 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 SECURITY NUMBER: ____ - ____ - ____

Company or individual bidding: _____

Company representative's name: _____

Address: _____

City: _____ State: _____ Zip: _____

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

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

Phone number : _____ Email (optional): _____

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



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

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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 one of the boxes below):
 - A. Sole Proprietorship (individual)
 - B. Partnership
 - C. Corporation
2. You **must** check one of the boxes below:
 - A. I certify 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 obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195).
 - C. I certify 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 Employees

_____ Part-time Employees

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

I hereby certify that the above information is true and correct. I agree to notify the Michigan 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

Title

Date

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

Camp 6 Red Pine (42-008-20)
T46N, R10W, SEC. 5; T46N, R10W, SEC. 8; Luce COUNTY

In response to the notice of sale to be held 3:00 p.m. (local time) on March 4, 2021, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

| <u>PRODUCTS & SPECIES</u> | <u>ESTIMATED VOLUME*</u> | <u>ADVERTISED PRICE</u> | <u>BID PRICE/UNIT</u> |
|-------------------------------|--------------------------|-------------------------|-----------------------|
| Pulpwood | | | |
| Balsam Fir | 28 Cords | \$ 9.00/Cord | \$ _____ |
| Mixed Hardwood | 50 Cords | \$ 11.65/Cord | \$ _____ |
| Paper Birch | 4 Cords | \$ 10.10/Cord | \$ _____ |
| Quaking Aspen | 2 Cords | \$ 13.80/Cord | \$ _____ |
| Red Pine | 589 Cords | \$ 50.80/Cord | \$ _____ |
| White Pine | 6 Cords | \$ 15.20/Cord | \$ _____ |

*The volumes are statistically estimated within plus (+) or minus (-) 15.54 percent at 95% confidence level. 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 SECURITY NUMBER: ____ - ____ - ____

Company or individual bidding: _____

Company representative's name: _____

Address: _____

City: _____ State: _____ Zip: _____

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

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

Phone number : _____ Email (optional): _____

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



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

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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 one of the boxes below):
 - A. Sole Proprietorship (individual)
 - B. Partnership
 - C. Corporation
2. You **must** check one of the boxes below:
 - A. I certify 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 obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195).
 - C. I certify 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 Employees

_____ Part-time Employees

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

I hereby certify that the above information is true and correct. I agree to notify the Michigan 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

Title

Date

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