

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN TIMBER SALE PROSPECTUS #7193

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on May 18, 2023. LOCATION: BARAGA MGMT UNIT, 427 US 41 NORTH, BARAGA, MI 49908.

<u>PROSPECTUS NOTE:</u> Contact Brad Carlson 906-201-4688 for questions regarding timber sale 11-006-23 Murphy HWY or 11-009-23 Milky Way.

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

Murphy HWY (11-006-23) / T48N, R34W, SEC. 25, NWSW,S1/2SW,S1/2SE.

T48N, R34W, SEC. 36, N1/2NW,N1/2NE.

Baraga County, Advertised Price \$54,478.35, 141.1 Acres, Spruce/Fir/Tamarack, Hardwood.

SALE NOTE: This sale is specified for track processor and forwarder equipment.

Milky Way (11-009-23) / T52N, R35W, SEC. 27, S1/2SW, S1/2SE.

T52N, R35W, SEC. 33, SENE.

T52N, R35W, SEC. 34, NW, SWNE, N1/2SW, NWSE.

Houghton County, Advertised Price \$67,941.15, 212.3 Acres, Hardwood, Sugar Maple.

BID INSTRUCTIONS (VER. 10/10/2022):

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

Bids must be received by the Unit Manager, BARAGA OFFICE, 427 US 41 North, Baraga, MI 49908, no later than 9:00 a.m. (local time) on May 18, 2023. For further information concerning this sale, contact Brad Carlson at 906-353-6651.

2. Bidder's Qualifications (10/22)

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. A person must be 18 years of age or older to purchase timber. Permanent employees of the Department of Natural Resources or members of their immediate household may not bid. Former employees, in the permanent or seasonal class, may not bid until 3 months after the last day of active duty. 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. Worker's Compensation (10/22)

Purchaser shall obtain worker's 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. Verification of Worker's Disability Compensation Act Compliance must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract. In addition, if applicable, Notice of Exclusion or Certificate of Insurance must also be submitted.

10. Timber Sale Contract (10/22)

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).

11. Disclaimer of Estimates and Bidder's Warranty of Inspection (10/22)

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.

12. Certification and Chain-of-Custody (10/22)

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.

13. Good Neighbor Authority (GNA) Requirements (10/22)

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).

- 14. Good Neighbor Authority (GNA) Requirements, con't (10/22)
 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.

SHANNON LOTT, Acting Director

TIMBER SALE INFORMATION

Murphy HWY (11-006-23)
T48N, R34W, SEC. 25; T48N, R34W, SEC. 36.
Baraga County (Advertised Price \$54,478.35)

SALE NOTE: This sale is specified for track processor and forwarder equipment.

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 Inventory Manager computer program and the new Michigan taper model. Bids must be at or above the following advertised price for each product and species:

PRODUCTS & SPECIES	ESTIMATED UNITS*		ADV	ERTISED PRICE
Sawtimber				
Red Maple	4.6	MBF	\$	107.00 / MBF
Sugar Maple	2.1	MBF	\$	217.00 / MBF
Pulpwood				
Balsam Fir	72	Cords	\$	9.80 / Cord
Mixed Hardwood	431	Cords	\$	15.70 / Cord
Mixed Spruce	3,041	Cords	\$	13.35 / Cord
Paper Birch	88	Cords	\$	5.15 / Cord
Tamarack	642	Cords	\$	7.80 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 12.17 percent. There are an estimated 4,258 cords on this timber sale, plus or minus 518 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 \$4,000.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	16.0%
02	43.8%
03	40.2%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2027.

SALE STATISTICS

Volumes were calculated in cubic feet using the Michigan taper model. Cubic foot volume includes all wood inside bark for the product indicated. For display purposes, cubic feet were converted to cords and MBF using a simple conversion factor, e.g. 79 cubic feet per cord and 185 cubic feet per MBF. The cubic foot volumes are precise; the cords and MBF volumes are not. Cubic foot volume cannot be directly converted to cords or boards with precision.

SALE VOLUMES

The total estimated sale volume may not equal the sum of the species/products due to the nature of statistical calculations associated with double sampling methodology.

VOLUME		VOLUME			STATISTICAL RA	ANGE IN CORDS
TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM		
336,406	4,258	12.17%	3,740	4,777		

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.

	VOLUME			RANGE II	N CORDS
VDU	TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
1	45,730	579	36.35%	368	789
2	290,676	3,679	12.61%	3,216	4,143
TOTAL:	336,406	4,258		3,584	4,933

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
1	27.5	1	27.5
2	113.6	2	59.3
		3	54.3
TOTAL:	141.1		141.1

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Maple	Sawtimber	4.6	MBF	27.5	\$8,716.40
	Sugar Maple		2.1	MBF		
	Balsam Fir	Pulpwood	48	Cords		
	Mixed Hardwood		394	Cords		
	Red Maple		334	Cords		
	Sugar Maple		28	Cords		
	Yellow Birch		32	Cords		
	Mixed Spruce		54	Cords		
	Black Spruce		23	Cords		
	White Spruce		31	Cords		
	Paper Birch		76	Cords		
2	Balsam Fir	Pulpwood	13	Cords	59.3	\$23,882.25
	Mixed Hardwood		19	Cords		
	Red Maple		19	Cords		
	Mixed Spruce		1,559	Cords		
	Black Spruce		1,545	Cords		
	White Spruce		14	Cords		
	Paper Birch		6	Cords		
	Tamarack		335	Cords		
3	Balsam Fir	Pulpwood	11	Cords	54.3	\$21,879.70
	Mixed Hardwood		18	Cords		
	Red Maple		18	Cords		
	Mixed Spruce		1,428	Cords		
	Black Spruce		1,415	Cords		
	White Spruce		13	Cords		
	Paper Birch		6	Cords		
	Tamarack		307	Cords		
		TOTAL:	6.7	MBF		
		TOTAL:	4,274	Cords		

Sale Specific Conditions & Requirements

Sale Name: Murphy HWY Sale Number: 11-006-23 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 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. Interior Payment Unit boundaries are marked with red paint. Red 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, 2 and 3, cut all trees which meet minimum piece specifications in 2.2 Utilization, except do not cut hemlock, cedar, black cherry and white pine. In addition, do not cut yellow birch, red maple, and sugar maple trees that are 20 inches or more at DBH.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH. A written waiver of this requirement may be obtained if wet summer weather makes winter logging necessary.

2.2.6 - Roundwood operation required (3/21)

The skidding of whole trees or tree segments with limbs attached is prohibited. All products must be produced as roundwood and forwarded to existing roads or landing areas in final product length. Trees must be harvested with in-woods processor (feller bunching harvester will not be allowed).

2.2.8 - Utilization and removal (5/14)

All products meeting standards set forth in General Condition and Requirement 2.2 - Utilization must be removed from the sale area. This is because excessive woody debris inhibits regeneration.

2.2.11 - Chipping restriction (9/14)

If chipping occurs on this sale, then no woody debris present on the ground at the start of the sale may be chipped. In addition, brush or chips may not be stored or stockpiled on-site for more than 30 days.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (7/16)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings.

4 - Transportation

4.1 - Construction

4.1.1 - Stream crossings, general (3/11)

All stream crossing structures will be temporary and therefore, shall be provided by the Purchaser, and must be removed upon completion of the sale. All permits for stream crossings will be provided by the DNR for crossings located on state land.

4.1.5 - Culverts (5/14)

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

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

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, be chipped, utilized or otherwise removed from the sale. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.1.7 - Road closure (10/11)

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

4.2 - Maintenance

4.2.2 - Fill material (4/07)

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

4.2.5 - Two wheel drive condition (2/04)

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

4.3 - Public Right-of-Way

4.3.1 - MDOT R-O-W (11/14)

The Michigan Department of Transportation (MDOT) must be contacted prior to harvesting timber within the MDOT right-of-way.

5 - Operations

5.1 - Notification

5.1.6 - Utility R.O.W. (4/19)

It is the responsibility of the Purchaser to obtain permission from the utility company to utilize the gas line R.O.W. for operations. Contact Daniel Gorman with Northern Natural Gas at (651) 497-5805.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (9/16)

No trees are to be felled outside the sale area and all slash is to be kept at least 10 feet back from the red paint line. If sale boundary lines are along a public road or highway, then slash must be removed 50' from these lines per General Condition & Requirement 5.2.1.

5.2.1.14 - Chipping of slash (10/08)

If tops are chipped, they must be skidded to the landing separately from the bole section of the tree. Skidding of tops must be done in such a way as to minimize damage to the residual trees.

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (10/16)

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

5.2.3 - Operating Restrictions

5.2.3.2 - Operating restrictions (9/11)

Within Payment Unit(s) 1, 2 and 3, unless changed by written agreement, all clean up activities must be completed by June 15 for areas that were harvested during the previous harvest season. This restriction is to allow the clean up areas to revegetate before the dry season.

5.2.18 - Equipment requirements (1/09)

Unless approved by the Sale Administrator, only tracked processors and forwarders will be permitted for harvesting operations. This requirement is to minimize the risk of rutting throughout the Sale Area.

5.2.30 - Landing/road top soil protection (2/15)

Top soil on landings must be removed, stockpiled and saved. Upon completion of the timber sale, soil must be evenly distributed back over the area for revegetation. In addition, the area must be seeded and mulched per instructions of the sale administrator.

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.

5.8 - 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.

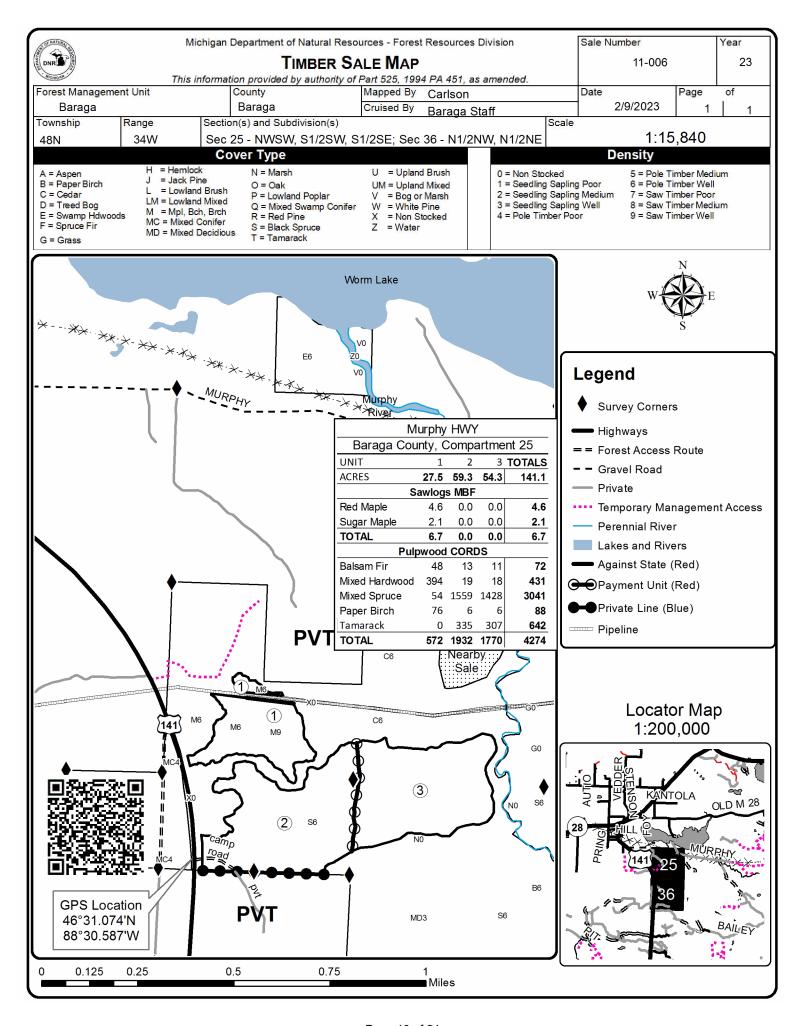
6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (10/20)

The Purchaser is responsible for posting and maintaining caution signs on US-141 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.

Section Name: Sale Specific Current as of 2/9/2023 8:19:58AM



TIMBER SALE INFORMATION

Milky Way (11-009-23)

T52N, R35W, SEC. 27; T52N, R35W, SEC. 33; T52N, R35W, SEC. 34. Houghton County (Advertised Price \$67,941.15)

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 Inventory Manager computer program and the new Michigan taper model. Bids must be at or above the following advertised price for each product and species:

PRODUCTS & SPECIES	<u>ESTIMATE</u>	ESTIMATED UNITS*		ERTISED PRICE
Sawtimber				
Basswood	18.7	MBF	\$	106.00 / MBF
Red Maple	141.0	MBF	\$	107.00 / MBF
Sugar Maple	101.8	MBF	\$	217.00 / MBF
Yellow Birch	26.2	MBF	\$	76.00 / MBF
Pulpwood				
Balsam Fir	98	Cords	\$	9.80 / Cord
Mixed Hardwood	1,307	Cords	\$	15.70 / Cord
Quaking Aspen	156	Cords	\$	30.70 / Cord
White Spruce	39	Cords	\$	13.35 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 12.96 percent. There are an estimated 2,235 cords on this timber sale, plus or minus 290 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 \$5,000.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	4.5%
02	8.7%
03	18.6%
04	18.8%
05	22.2%
06	27.2%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2026.

SALE STATISTICS

Volumes were calculated in cubic feet using the Michigan taper model. Cubic foot volume includes all wood inside bark for the product indicated. For display purposes, cubic feet were converted to cords and MBF using a simple conversion factor, e.g. 79 cubic feet per cord and 185 cubic feet per MBF. The cubic foot volumes are precise; the cords and MBF volumes are not. Cubic foot volume cannot be directly converted to cords or boards with precision.

SALE VOLUMES

The total estimated sale volume may not equal the sum of the species/products due to the nature of statistical calculations associated with double sampling methodology.

VOLUME		VOLUME			STATISTICAL RA	ANGE IN CORDS
TOTAL CUBIC FEET	ET TOTAL CORDS PERCENT ERROR MINIMUM		MAXIMUM			
176,539	2,235	12.96%	1,945	2,524		

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.

	VOLUME			RANGE II	N CORDS
VDU	TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
1	30,031	380	23.22%	292	468
2	55,647	704	17.87%	579	830
3	27,012	342	23.60%	261	423
10	31,786	402	36.18%	257	548
13	13,495	171	34.96%	111	231
917	18,569	235	44.56%	130	340
TOTAL:	176,539	2,235		1,630	2,840

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.

TOTAL:	212.3		212.3
917	12.5	2	12.5
13	5.8	1	5.8
10	47.7	3	47.7
3	40.7	4	40.7
2	69.7	6	69.7
1	35.9	5	35.9
VDU	VDU ACRES	PU	PU ACRES

DESCRIPTION OF TIMBER BY PAYMENT UNIT (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Maple	Sawtimber	6.2	MBF	5.8	\$3,039.05
	Yellow Birch		3.6	MBF		
	Balsam Fir	Pulpwood	18	Cords		
	Mixed Hardwood		115	Cords		
	Red Maple		52	Cords		
	Sugar Maple		7	Cords		
	Yellow Birch		56	Cords		
	White Spruce		9	Cords		
2	Red Maple	Sawtimber	1.6	MBF	12.5	\$5,891.80
	Balsam Fir	Pulpwood	63	Cords		
	Mixed Hardwood		20	Cords		
	Red Maple		11	Cords		
	Sugar Maple		7	Cords		
	White Ash		2	Cords		
	Quaking Aspen		156	Cords		
3	Red Maple	Sawtimber	22.7	MBF	47.7	\$12,609.45
	Sugar Maple		25.2	MBF		
	Yellow Birch		3.9	MBF		
	Mixed Hardwood	Pulpwood	260	Cords		
	Red Maple		106	Cords		
	Sugar Maple		84	Cords		
	Yellow Birch		70	Cords		
	White Spruce		25	Cords		
4	Red Maple	Sawtimber	27.8	MBF	40.7	\$12,755.35
	Sugar Maple		28.4	MBF		
	Yellow Birch		8.2	MBF		
	Balsam Fir	Pulpwood	4	Cords		
	Mixed Hardwood		184	Cords		
	Red Maple		73	Cords		
	Sugar Maple		62	Cords		
	Yellow Birch		49	Cords		
	White Spruce		5	Cords		
5	Basswood	Sawtimber	14.4	MBF	35.9	\$15,095.60
	Red Maple		18.2	MBF		
	Sugar Maple		36.8	MBF		
	Yellow Birch		4.8	MBF		
	Balsam Fir	Pulpwood	7	Cords		
	Mixed Hardwood		204	Cords		
	Basswood		22	Cords		
	Red Maple		62	Cords		
	Sugar Maple		89	Cords		
	Yellow Birch		31	Cords		
6	Basswood	Sawtimber	4.3	MBF	69.7	\$18,549.90
	Red Maple		64.5	MBF		
	Sugar Maple		11.4	MBF		
	Yellow Birch		5.7	MBF		
	Balsam Fir	Pulpwood	6	Cords		
	Mixed Hardwood		524	Cords		
	Basswood		4	Cords		
	Red Maple		231	Cords		
	Sugar Maple		176	Cords		
	White Ash		26	Cords		
	Yellow Birch		87	Cords		

		TOTAL:	1,600 Cords
--	--	--------	-------------

Sale Specific Conditions & Requirements

Sale Name: Milky Way Sale Number: 11-009-23 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 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. Interior Payment Unit boundaries are marked with red paint. The painted boundary line trees are not Included Timber and are to be protected, unless otherwise directed by the sale administrator.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 and 2, cut all trees that are two (2) inches or more at DBH except red oak, yellow birch, hemlock, white pine and cedar if present.

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

Within Payment Unit(s) 3, 4, 5 and 6, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. All white/black ash with orange "x" marks are to be harvested if salvageable.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH.

2.2.4 - Skidding length (2/14)

Skidding of lengths over 17 feet is permissible as long as the timber sale administrator approves the method and machinery used. If at any point damage exceeds specification 3.4.1, all of the remaining wood must be skid in lengths less than 17 feet.

2.2.7 - Uncut designated trees (2/04)

Liquidated damages of \$10.00 per tree will be assessed for every marked tree not cut.

2.2.8 - Utilization and removal (5/14)

All products meeting standards set forth in General Condition and Requirement 2.2 - Utilization must be removed from the sale area. This is because excessive woody debris inhibits regeneration.

2.2.11 - Chipping restriction (9/14)

If chipping occurs on this sale, then no woody debris present on the ground at the start of the sale may be chipped. In addition, brush or chips may not be sorted or stockpiled on-site for more than 30 days.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (7/16)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings.

No damage is acceptable to undesignated live merchantable trees. Within the sale area, if more than 5% of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timbe.

4 - Transportation

4.1 - Construction

4.1.1 - Stream crossings, general (3/11)

All stream crossing structures will be temporary and therefore, shall be provided by the Purchaser, and must be removed upon completion of the sale. All permits for stream crossings will be provided by the DNR for crossings on State Forest Land. Please notify the DNR 90 days prior to working on any crossings that will require a EGLE permit.

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.

4.1.5 - Culverts (5/14)

Roads may require the installation of culverts for cross drainage or at natural drainage-ways. If culverts are needed in these locations, their placement will be specified by the sale administrator, and they shall be installed prior to hauling. The culverts shall be new, corrugated metal or plastic gauge. Culverts will be a minimum of 12 inches in diameter and 24 feet in length. If culverts are removed, fill shall be removed from wetland soils as specified. Soils shall be maintained and left in a non-erodible condition, with water bars, seed, fertilizer, mulch, and slash installed as directed by the sale administrator and as specified in the BMP manual. Stream crossing permits, if needed, will be obtained by the DNR. Please notify the DNR 90 days prior to working on any crossings that will require a EGLE permit.

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, or may be chipped, utilized or otherwise removed from the sale. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. These roads must be rendered impassable to cars and trucks. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.2 - Fill material (4/07)

To maintain roads, fill material may be needed in areas where "holes" exist or may be expected to develop. This fill material should be placed before trucking begins. Contact the sale administrator for specific details of design and placement.

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 bulldozer 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

5.1 - 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 Unit Manager or his/her representative must be contacted at least 10 days in advance to schedule the conference.

5.1.4 - Post-sale conference (10/16)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract

specifications.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.11 - Slash for reforestation (3/21)

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

5.2.3.2 - Operating restrictions (9/11)

Within Payment Unit(s) 1, 2, 3, 4, 5 and 6, unless changed by written agreement, all cleanup activities must be completed by July 15th for all areas harvested during the previous harvest season. This restriction is to let the area revegetate before the dry season.

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 3, 4, 5 and 6, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

5.2.30 - Landing/road top soil protection (2/15)

Top soil on landings and new roads must be removed, stockpiled and saved. Upon completion of the timber sale, soil must be evenly distributed back over the area for revegetation. In addition, the area must be seeded and mulched per instructions of the sale administrator by July 15 following harvest completion to allow for re-vegetation before the dry season.

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.

5.8 - 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.

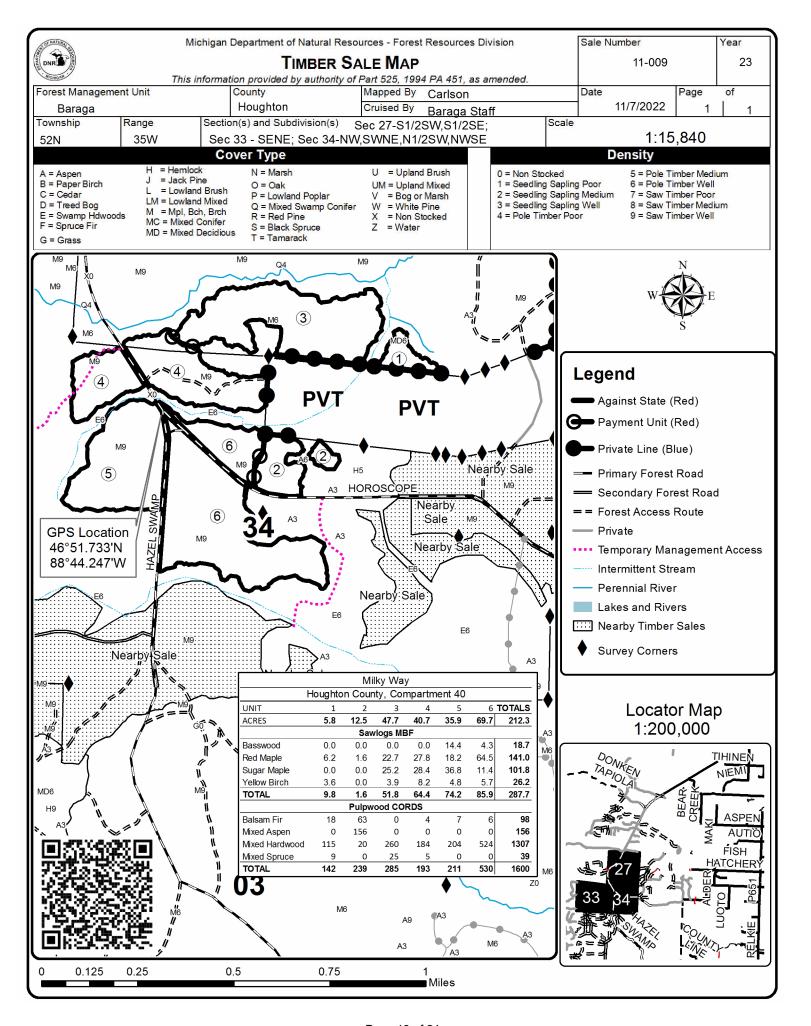
6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (10/20)

The Purchaser is responsible for posting and maintaining caution signs on both the Hazel Swamp Road and Donken Tapiola 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. provide these signs.	Signs must be removed when harvest operations are	re suspended or completed. T	he Purchaser will
ion Name: Sale Spec	sific	Current as of 2/6/2023	9:25:51AM



Page 20 of 24	
---------------	--

BID FORM

BARAGA MANAGEMENT UNIT BARAGA OFFICE

Milky Way (11-009-23)

T52N, R35W, SEC. 27; T52N, R35W, SEC. 33; T52N, R35W, SEC. 34; Houghton

In response to the notice of sale to be held 9:00 a.m. (local time) on May 18, 2023, 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.

ESTIMATED VOLUME*	Al	<u>OVERTISED PRICE</u>	BID PRICE/UNIT
18.7 MBF	\$	106.00/MBF	\$
141.0 MBF	\$	107.00/MBF	\$
101.8 MBF	\$	217.00/MBF	\$
26.2 MBF	\$	76.00/MBF	\$
98 Cords	\$	9.80/Cord	\$
1,307 Cords	\$	15.70/Cord	\$
156 Cords	\$	30.70/Cord	\$
39 Cords	\$	13.35/Cord	\$
	18.7 MBF 141.0 MBF 101.8 MBF 26.2 MBF 98 Cords 1,307 Cords 156 Cords	18.7 MBF \$ 141.0 MBF \$ 101.8 MBF \$ 26.2 MBF \$ 98 Cords \$ 1,307 Cords \$ 156 Cords \$	18.7 MBF \$ 106.00/MBF 141.0 MBF \$ 107.00/MBF 101.8 MBF \$ 217.00/MBF 26.2 MBF \$ 76.00/MBF 98 Cords \$ 9.80/Cord 1,307 Cords \$ 15.70/Cord 156 Cords \$ 30.70/Cord

*The volumes are statistically estimated within plus (+) or minus (-) 12.96 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: ___

Co	Company or individual bidding:				
Co	Company representative's name:				
Address:					
Ci	ty:	State:	Zip:		
F AVAILABL	E, PLEASE PLACE THE PERSON	IALIZED LABEL FROM	YOUR PROSPECTUS IN TH	HE ABOVE BOX.	
ndividual or	company representative's signature	e:		Date:	
Phone numb	one 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



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:			
r orest management omt.			

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

Please Check Appropriate Categories:

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.

1.	My business is organized as (you must A. ☐ Sole Proprietorship (individual) B. ☐ Partnership C. ☐ Corporation	check <u>one</u> of the	boxes below):	
2.	You must check <u>one</u> of the boxes below	r:			
	A. I certify my business is a sole propriete Worker's Compensation Laws.	orship and it has no	employees bu	It the sole proprietor.	I am not subject to the
	B. I certify my business has satisfied its of Exclusion (BWC-337, Rev. 5/96). I will questions or a copy of the BWC-337,	Il provide a copy of	the Notice of E	Exclusion within 21 day	ys of the contract award. (For
	C. I certify my business has a Worker's Cone (21) days of the contract award.	Compensation Polic	y. I will provide	e an original Certificate	e of Insurance within twenty-
3.	3. If you have checked item 2(A) or 2(B), you must indicate the number of both full-time and part-time employees, oth than yourself, including family members and active partners (if none, you must enter "0").			and part-time employees, other	
	Full-time En	nployees			_Part-time Employees
Name of Business			Federal ID (or) Social Security No.	
Addı	ress		Telephone ()		
City		State	ZIP		
in fa _	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				
T	itle		D	ate	

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

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

BID FORM

BARAGA MANAGEMENT UNIT BARAGA OFFICE

Murphy HWY (11-006-23)

T48N, R34W, SEC. 25; T48N, R34W, SEC. 36; Baraga COUNTY

In response to the notice of sale to be held 9:00 a.m. (local time) on May 18, 2023, 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>VOLUME*</u>	<u>AD</u>	<u>VERTISED PRICE</u>	<u>BID PRICE/U</u>	<u>NIT</u>
Sawtimber						
Red Maple	4.6	MBF	\$	107.00/MBF	\$	_
Sugar Maple	2.1	MBF	\$	217.00/MBF	\$	_
Pulpwood						
Balsam Fir	72	Cords	\$	9.80/Cord	\$	_
Mixed Hardwood	431	Cords	\$	15.70/Cord	\$	_
Mixed Spruce	3,041	Cords	\$	13.35/Cord	\$	_
Paper Birch	88	Cords	\$	5.15/Cord	\$	_
Tamarack	642	Cords	\$	7.80/Cord	\$	_

*The volumes are statistically estimated within plus (+) or minus (-) 12.17 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 SEC	JRITY 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.						
ndividual 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



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)			
Forest Management Unit:			

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

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract.

•	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	ase 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				
 You must check one of the boxes below: A. I certify my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws. B. I certify my business has satisfied its o bligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195). C. I certify my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within twenty-one (21) days of the contract award. 			Vorker's Compensation Act through the use of an approved Notice of of the Notice of Exclusion within 21 days of the contract award. (For orker's Compensation Bureau at 517-322-1195).		
3.	If you have checked item 2(A) or 2(B), than yourself, including family members		ate the number of both full-time and part-time employees, other ners (if none, you must enter "0").		
	Full-time Er	nployees	Part-time Employees		
lam	ne of Business		Federal ID (or) Social Security No.		
Addı	ress		Telephone ()		
City		State	ZIP		
n fa	ereby certify that the above information is actors affecting my coverage during any co		t. I agree to notify the Michigan DNR of any changes that occur nd future operations.		

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

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

Date