

**Iron River Township, DOC, (SR#2009-0423), RFP
Questions & Answers
April 21, 2010**

Q. Is the yellow Kamostu endloader included?

A. Yes. Age of equipment: Year 2000; Serial Number: A80554.

Q. What are the utility bills, power, water, etc?

A. Approximately \$20,000 per year for all utility expenses, including gas, electric, water.

Q. What is the daily, monthly production, of the mill?

A. Michigan State Industries (MSI) has produced 1 million board feet in a year with approx 20 prisoners on one shift. The mill is capable of a larger production.

Q. Is the inventory of logs, lumber staying with the deal?

A. No. Cut wood currently stored on site is not included in the lease, but could possibly be purchased under a separate transaction.

Q. Will a customer list be furnished?

A. It will be available on request to the Department of Corrections.

Q. Were the water lines drained?

A. Yes and winterized appropriately.

Q. What are the lease amounts as far as monthly payments, etc.?

A. Monthly lease payments would be determined by the monthly rent offered by a successful bidder as written by that successful bidder on page one of the Lease of State Owned Space Proposal (SR#2009-0423) form. The minimum monthly rent offer that will be accepted is \$3,200.00, as is also referenced on that form.

Q. If I was to add up to 7 jobs in the area, is there government help, or funding, grants?

A. State tax credits and other business incentives are administered by the Michigan Economic Development Corporation (MEDC), which is the appropriate contact for related resources and program information. DTMB will not accept proposals contingent upon receiving credits, incentives or other project cost inducements.

Q. Is there a total amount you want to buy the whole site?

A. A sale of this property would require enacted Michigan legislation and the legislation would provide for the terms of that sale." "No such enacted legislation currently exists.