

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN <u>TIMBER SALE PROSPECTUS #7424</u>

<u>SCHEDULED SALE DATE AND TIME:</u> 9:00 a.m. (local time) on May 13, 2024. <u>LOCATION:</u> GRAYLING MGMT UNIT, 1955 HARTWICK PINES ROAD, GRAYLING, MI 49738.

<u>CONTACT NAME:</u> Thomas Barnes <u>PHONE NUMBER:</u> (989) 348-6371

<u>PROSPECTUS NOTE</u>: 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, GRAYLING MANAGEMENT UNIT, for certain timber on the following described lands:

<u>Backyard Oak Pine</u> (72-022-23) / T27N, R03W, SEC. 19, SENW,NE,N1/2SW,SESW,SE. T27N, R03W, SEC. 20, SWNW,W1/2SW.

Crawford County, Advertised Price \$105,715.45, 194.8 Acres, Red Oak, Red Pine.

SALE NOTE: Timber sale was marked and cruised by summer students and has been factored down 20% to account for unknown error. Sale contains oak wilt restrictions, bark slippage restrictions, and bark beetle restrictions. Snowmobile trail and Shore to Shore horse trail run through sale. Paved bike path adjacent to M93 will need to be protected with an afton stone cap on Roberts Road if crossed for trucking. Low stumps and chipping required for Payment Unit 6. Seedling/regeneration protection required for Payment Units 1, 2, 4, 5, 7, and 8.

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.

TIMBER SALE INFORMATION

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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	ESTIMATE	<u>ED UNITS*</u>	<u>adve</u>	ERTISED PRICE
Sawtimber				
Red Maple	17.2	MBF	\$	66.00 / MBF
Red Oak	411.2	MBF	\$	106.00 / MBF
Red Pine	214.6	MBF	\$	99.00 / MBF
White Oak	114.1	MBF	\$	92.00 / MBF
White Pine	28.0	MBF	\$	57.00 / MBF
Pulpwood				
B. T. Aspen	47	Cords	\$	22.45 / Cord
Jack Pine	7	Cords	\$	16.95 / Cord
Mixed Oak	359	Cords	\$	19.50 / Cord
Red Maple	129	Cords	\$	23.30 / Cord
Red Pine	367	Cords	\$	41.25 / Cord
White Pine	74	Cords	\$	18.05 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 9.72 percent. There are an estimated 2,844 cords on this timber sale, plus or minus 277 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 \$5,285.77 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	10.2%
02	7.3%
03	4.5%
04	6.1%
05	13.6%
06	19.7%
07	24.8%
08	13.8%

4. If no cutting takes place, the 10% down payment will not be refunded.

5. Operations on the contract issued will terminate on 09/30/2026.

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			STATISTICAL RANGE IN CORDS		
TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM	
224,706	2,844	9.72%	2,568	3,121	

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 IN CORDS	
VDU	TOTAL CUBIC FEET TOTAL CORDS		PERCENT ERROR	MINIMUM	MAXIMUM
4	82,039	1,038	14.03%	893	1,184
5	48,551	615	16.57%	513	716
9	9,103	115	64.66%	41	190
11	42,946	544	19.68%	437	651
12	42,067	532	19.86%	427	638
TOTAL:	224,706	2,844		2,310	3,379

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
4	86.7	7	55.7
		8	31.0
5	43.6	4	13.4
		5	30.2
9	13.1	3	13.1
11	19.1	6	19.1
12	32.3	1	18.8
		2	13.5
TOTAL:	194.8		194.8

DESCRIPTION OF TIMBER BY PU (PU)

						[
PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Maple	Sawtimber	2.6	MBF	18.8	\$10,821.35
	Red Oak		31.1	MBF		
	Red Pine		40.4	MBF		
	White Oak		17.2	MBF		
	White Pine		2.2	MBF		
	B. T. Aspen	Pulpwood	2	Cords		
	B. T. Aspen	1	2	Cords		
	Jack Pine		4	Cords		
	Mixed Oak		36	Cords		
	Red Oak		23	Cords		
	White Oak		13	Cords		
	Red Maple		9	Cords		
	Red Pine		12	Cords		
	White Pine		7	Cords		
2	Red Maple	Sawtimber	1.9	MBF	13.5	\$7,732.05
2	Red Oak	Sawumber	22.4	MBF	15.5	φ1,132.05
	Red Oak Red Pine					
			29.0	MBF		
	White Oak		12.3	MBF		
	White Pine		1.5	MBF		
	B. T. Aspen	Pulpwood	1	Cords		
	B. T. Aspen		1	Cords		
	Jack Pine		3	Cords		
	Mixed Oak		25	Cords		
	Red Oak		16	Cords		
	White Oak		9	Cords		
	Red Maple		7	Cords		
	Red Pine		8	Cords		
	White Pine		5	Cords		
3	Red Maple	Pulpwood	11	Cords	13.1	\$4,711.30
	Red Pine		108	Cords		
4	Red Maple	Sawtimber	3.0	MBF	13.4	\$6,395.85
	Red Oak		28.3	MBF		
	Red Pine		3.0	MBF		
	White Oak		9.6	MBF		
	White Pine		6.5	MBF		
	B. T. Aspen	Pulpwood	3	Cords		
	B. T. Aspen	Sawtimber	0.5	MBF		
	B. T. Aspen	Pulpwood	2	Cords		
	, Mixed Oak		29	Cords		
	Red Oak		21	Cords		
	White Oak		8	Cords		
	Red Maple		13	Cords		
	Red Pine		12	Cords		
	White Pine		12	Cords		
5	Red Maple	Sawtimber	6.8	MBF	30.2	\$14,388.90
	Red Oak		63.8	MBF		÷ 1,000.00
	Red Pine		6.9	MBF		
	White Oak		21.6	MBF		
	White Pine		14.5	MBF		
	B. T. Aspen	Pulpwood	7	Cords		
	-	Sawtimber	1.0	MBF		
	B. T. Aspen		7.0 5			
	B. T. Aspen	Pulpwood	-	Cords		
	Mixed Oak		63 46	Cords		
	D- 10 1					1
	Red Oak White Oak		46 17	Cords Cords		

DESCRIPTION OF TIMBER BY PU (PU), CON'T

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
5 con't	Red Maple	Pulpwood	29	Cords		
	Red Pine		27	Cords		
	White Pine		28	Cords		
6	Red Oak	Sawtimber	28.3	MBF	19.1	\$20,792.70
	Red Pine		91.7	MBF		
	White Oak		7.9	MBF		
	B. T. Aspen	Pulpwood	34	Cords		
	B. T. Aspen	Sawtimber	5.1	MBF		
	B. T. Aspen	Pulpwood	24	Cords		
	Mixed Oak		39	Cords		
	Red Oak		26	Cords		
	White Oak		13	Cords		
	Red Maple		33	Cords		
	Red Pine		135	Cords		
	White Pine		7	Cords		
7	Red Maple	Sawtimber	1.9	MBF	55.7	\$26,264.10
	Red Oak		152.5	MBF		
	Red Pine		28.0	MBF		
	White Oak		29.2	MBF		
	White Pine		2.1	MBF		
	Mixed Oak	Pulpwood	107	Cords		
	Red Oak	-	75	Cords		
	White Oak		32	Cords		
	Red Maple		17	Cords		
	Red Pine		42	Cords		
	White Pine		10	Cords		
8	Red Maple	Sawtimber	1.0	MBF	31.0	\$14,609.20
	Red Oak		84.8	MBF		
	Red Pine		15.6	MBF		
	White Oak		16.3	MBF		
	White Pine		1.2	MBF		
	Mixed Oak	Pulpwood	60	Cords		
	Red Oak		42	Cords		
	White Oak		18	Cords		
	Red Maple		10	Cords		
	Red Pine		23	Cords		
	White Pine		5	Cords		
		TOTAL:	785.1	MBF		
		TOTAL:	983	Cords		

Sale Specific Conditions & Requirements

Sale Name: Backyard Oak Pine

Sale Number: 72-022-23 Seq#: 2

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 yellow paint, or are unpainted and identified by existing roads or a powerline ROW. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint, with the exception of the interior Payment Unit boundary between Payment Units 1 & 2, which is unmarked and identified by a powerline ROW, the interior Payment Unit boundary between Payment Units 4 & 5, which is unpainted and identified by the Shore to Shore Horse Trail/unnamed forest road, and the interior Payment Unit boundary between Payment Unit boundary between Payment Units 7 & 8, which is unpainted and identified by the unnamed forest road, and the snowmobile trail. Retention patches are marked with red paint; no harvesting activities may occur within these areas. The painted boundary line trees are not Included Timber and are to be protected unless marked with orange paint. 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

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

Within Payment Unit(s) 6, cut all trees that are two (2) inches or more at DBH, except do not cut oak that are twenty-six (26) inches or more at DBH, or any pine that are twenty-six (26) inches or more at DBH. Special protection trees identified in accordance with condition 3.4.2, within cutting unit boundaries, are not Included Timber and are to be protected.

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

Within Payment Unit(s) 3, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.1.5 - Overstory removal unit(s) (8/11)

Within Payment Unit(s) 1, 2, 4, 5, 7, & 8, all trees which meet minimum piece specifications in 2.2 Utilization, are designated for cutting, except do not cut oak that are twenty-six (26) inches or more at DBH, or any pine that are twenty-six (26) inches or more at DBH. Special protection trees identified in accordance with condition 3.4.2, within cutting unit boundaries, are not Included Timber and are to be protected.

2.2 - Utilization

2.2.2 - Chipping required (2/18)

Payment Unit 6 must be chip harvested to facilitate subsequent planting operations. The Purchaser has the option to produce sawlogs or pulpwood bolts, but the remaining portion of the trees must be chipped and hauled. If market conditions limit the practicality of chipping, tops and slash must be arranged in a way that will not inhibit future planting operations, as directed by the Sale Administrator. The requirement to retain approximately 1/6 to 1/3 of tree tops and limbs less than four inches in diameter is still applicable (G. C. & R. 2.2).

2.2.3 - Stump heights (4/07)

Stump heights within Payment Unit 6 shall not exceed 6 inches for all trees. This is in order to facilitate planting operations.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) 5, 6, 7, & 8 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.

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, reasonable care should be taken to avoid damage to tree seedlings and saplings in Payment Units 1, 2, 4, 5, 7, & 8.

Within Payment Units 1, 2, 4, 5, 7, & 8, if more than 30% of the tree seedlings or saplings (1/4" to 4.5" DBH) within a specified portion of the Sale Area are damaged, liquidated damages will be assessed at \$500 per acre for all acreage within that specified portion of the Sale Area that was damaged. Trees cut cleanly in skid trails and for operational purposes will not be counted as damaged.

Within Payment Unit 3, 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 Timber.

3.4.2 - Special Protection Trees (4/14)

The Purchaser shall not cut live or dead special protection trees within cutting units or clearings. Special protection trees are oak greater than 26" DBH or pine greater than 26" DBH. If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay \$500 as fixed, agreed and liquidated damages for each special protection tree cut or damaged. Such payment does not constitute ownership of the undesignated timber.

4 - Transportation

4.1 - Construction

4.1.6 - Road construction (1/09)

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

4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. Stumps and brush must be placed along the remainder of the trail. These roads must be rendered impassable to cars and trucks. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. These stumps must be scattered along the road system to prohibit vehicular movement. Contact the Sale Administrator for specific details of design and placement.

4.1.11 - Permits (2/12)

The Purchaser will secure any necessary permits that may be required.

5 - Operations

5.1 - Notification

5.1.3 - Well heads and natural gas pipelines (11/15)

The Purchaser is responsible for contacting the gas pipeline company prior to operating equipment in the vicinity of well heads or natural gas pipelines.

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 powerline R.O.W. for operations.

5.2 - Conduct of Operations

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (10/16)

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

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 3, 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.

5.2.3.4 - Oak wilt restriction, no exceptions (1/18)

Within Payment Units 1, 2, 4, 5, 7, & 8, cutting, skidding, hauling within the sale and brushing of access roads to the sale are not permitted during the period of April 15 to July 15. No exceptions will be granted. This is necessary to reduce the spread of oak wilt. Hauling may be allowed from landings if roads have been sufficiently brushed out prior to oak wilt restricted period.

5.2.3.5 - Oak wilt restriction (1/18)

Within Payment Unit 6, unless changed by written agreement, cutting, skidding, hauling within the sale and brushing of access roads to the sale are not permitted during the period of April 15 to July 15. Operations may be allowed if specific steps are taken to prevent damaging uncut oak during the high risk period. Those steps may include completing all road brushing before April 15th and clearing a tree-length buffer along uncut oak cover before April 15th. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

5.2.3.6 - Bark beetle restriction (12/08)

In the event drought creates a high risk of pine bark beetle infestation, pine is not to be cut during the period March 1 through July 1, unless all portions of trees greater than two inches in diameter are removed from the sale area, reduced to chips, or treated to the satisfaction of the Unit Manager or his/her representative, within fifteen days of being severed from the stump. Pine log decks, pulpwood piles and treetops that are piled for chipping in the fall or winter within a 1/4 mile of susceptible sites must be removed before March 15. Residual slash must not be placed in piles or rows and must be spread over the site for quick drying. The Department of Natural Resources will exercise this specification if the risk of damage warrants.

5.2.29 - Shrub protection (1/20)

Reasonable care should be taken to avoid cutting or damaging hawthorn or juneberry. These woody-shrub plants are highly beneficial to various wildlife species.

5.2.32 - Decking/landing restoration (9/13)

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

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

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

5.2.40 - Pathway protection (10/10)

The horse trail and bicycle path are shown on the Timber Sale Map. Do not cut trees or damage posts with blue pathway markers. Maintain a 20-foot-wide slash, debris, and rut free zone daily, using the pathway as the centerline. Skidding across the horse trail may only occur in locations approved by the Sale Administrator. Do not operate equipment along the trail during scheduled trail rides. The Sale Administrator will provide a minimum of two weeks notice of when scheduled trail rides are to occur. The bicycle path, which runs parallel to M-93, is shown on the Timber Sale Map and will need extra protection if crossed (i.e. afton stone cap).

5.2.41 - Snowmobile trail protection (9/11)

The snowmobile trail is shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. If the trail is used for hauling, it must be graded to the satisfaction of the Unit Manager or his/her representative prior to December 1. 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. The snowmobile trail is not to be hauled on without written approval from the Unit Manager or his/her representative. The snowmobile trail may only be crossed at right angles. Maintain a 20-foot-wide slash, debris, and rut free zone daily using the snowmobile trail as the centerline. No decking of forest products will be permitted along the snowmobile

trail. All stumps within 20 feet of the snowmobile trail must be cut at ground level.

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 roads 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.

6.2.3 - Recreational trail posting (10/20)

The Purchaser is responsible for posting and maintaining caution signs on the snowmobile trail and the Shore to Shore Horse 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.

