

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #6862

<u>SCHEDULED SALE DATE AND TIME:</u> 9:00 a.m. (local time) on June 4, 2021. <u>LOCATION:</u> GRAYLING MGMT UNIT, 1955 HARTWICK PINES ROAD, GRAYLING, MI 49738.

CONTACT NAME: Thomas Barnes PHONE NUMBER: (989) 348-6371

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

<u>Guardian Oak</u> (72-617-20) / T27N, R02W, SEC. 27, SWSW. Crawford County, Advertised Price \$13,231.55, 17.5 Acres, Hardwood, Red Pine.

SALE NOTE: This sale is located on non-certified military lands. Sale contains oak wilt timing restrictions and military timing restrictions.

TIMBER SALE INFORMATION

<u>Guardian Oak (72-617-20)</u> T27N, R02W, SEC. 27. Crawford County (Advertised Price \$13,231.55)

SALE NOTE: This sale is located on non-certified military lands. Sale contains oak wilt timing restrictions and military timing 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:

PRODUCTS & SPECIES	<u>ESTIMATE</u>	D UNITS*	ADVE	RTISED PRICE
Sawtimber				
Red Oak	20.7	MBF	\$	119.00 / MBF
Red Pine	53.0	MBF	\$	95.00 / MBF
White Oak	13.8	MBF	\$	69.00 / MBF
White Pine	13.7	MBF	\$	35.00 / MBF
Pulpwood				
Mixed Oak	96	Cords	\$	20.90 / Cord
Red Pine	55	Cords	\$	33.05 / Cord
White Pine	31	Cords	\$	15.40 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 20.71 percent. There are an estimated 383 cords on this timber sale, plus or minus 79 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 \$661.58 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule :
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The remainder is due before cutting begins.

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- (c) Payment for each of the following units must be made before cutting begins in that unit:
- PAYMENT UNIT NUMBER PERCENT OF TOTAL SALE VALUE

100.0%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 12/31/2023.

SALE STATISTICS

SALE VOLUMES

VOLUME			STATISTICAL RANGE IN CORDS		
TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM	
30,285	383	20.71%	304	463	

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
1	30,304	384	20.71%	304	463
TOTAL:	30,304	384		304	463

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	17.5	1	17.5
TOTAL:	17.5		17.5

DESCRIPTION OF TIMBER BY PU (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Oak	Sawtimber	20.7	MBF	17.5	\$13,231.55
	Red Pine		53.0	MBF		
	White Oak		13.8	MBF		
	White Pine		13.7	MBF		
	Mixed Oak	Pulpwood	96	Cords		
	Red Oak		45	Cords		
	White Oak		51	Cords		
	Red Pine		55	Cords		
	White Pine		31	Cords		
TOTAL:		101.2	MBF			
		TOTAL:	182	Cords		

Sale Specific Conditions & Requirements

Sale Name: Guardian Oak

Sale Number: 72-617-20 Seq#: 1

1 - Sale Area

- 1.2 Boundaries
 - 1.2.1 Painted boundaries (9/19)

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

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1, cut all trees that are two (2) inches or more at DBH except do not cut pine or oak which are twenty-six inches (26") or more at DBH.

Special protection trees identified in accordance with condition 3.4.2, within clearcutting unit boundaries, are not Included Timber and are to be protected.

2.2 - Utilization

2.2.2 - Chipping required (2/18)

This area must be chip harvested to meet National Guard requirements. The chipping requirement could be waived with military approval if market conditions limit the practicality of chipping. Tops and slash would need to be arranged in a way that would not inhibit military operations, as directed by the sale administrator. The Purchaser may skid all remaining topwood out of the Payment Units and scatter in locations approved by the sale administrator. If the deadline is not met, damages will be collected determined by the cost to complete this work. A chipping exemption can be obtained if proposed operations are determined to be suitable by military staff. This exemption must be granted in writing. The requirement to retain approximately 1/6 to 1/3 of tree tops and limbs less than four inches in diameter does not apply (G. C. & R. 2.2). This is because the timber sale is on non-certified military lands.

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 6 inches for all trees. This is to facilitate military requirements.

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, reasonable care should be taken to avoid damage to white pine seedlings and saplings within the Sale Area located east of the north/south forest road.

Within the Sale Area located east of the north/south forest road, if more than 50% of the white pine 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 \$300 per acre for all acreage within that specified portion of the Sale Area that was damaged. Seedling and saplings cut cleanly in skid rows for operability will not be counted as damaged timber.

No damage is acceptable to undesignated live merchantable trees and designated retention areas. 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 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 all "legacy" pine and oak located within the Sale Area. Legacy trees are defined as having some of the following

characteristics: 26" DBH or greater, fire scars, broken tops/crowns, etc. If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay \$500.00 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)

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

4.1.7 - Road closure (10/11)

All new roads built into the sale must be blocked to vehicle traffic upon completion of the sale. Overgrown roads that are reopened shall be considered new roads. Some existing roads may also need to be closed, as directed by the sale administrator. 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. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

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 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 5 days in advance to schedule the conference.

5.1.5 - National Guard notification (2/15)

This sale is upon lands utilized for training by the Michigan National Guard - Camp Grayling. A minimum of five (5) business days prior to opening this sale, the producer must request that the sale administrator contact the military for information regarding training plans that may impact sale operations.

- 5.2 Conduct of Operations
 - 5.2.2 Hazard Trees/Snags

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5.2.2.1 - Den trees (10/16)
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Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

5.2.3 - Operating Restrictions

5.2.3.5 - Oak wilt restriction (1/18)

Within the Sale Area, 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.

5.2.3.7 - National Guard training restriction (1/09)

Operations on this contract may not be allowed during National Guard training operations. Typically, the restricted period is from May 1 to October 31. The contractor must check with the Unit Manager who will coordinate the cutting schedule with the Military.

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.

5.4 - 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 haul routes 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.

SKIP

6.4 - Unexploded ordinance (7/15)

Be aware that the sale area could contain UXO (unexploded ordinances). Do not touch, or drive over any metal objects. If any objects are found, please flag the area and notify the Unit Manager or his/her representative, so that they can make arrangements with the Military.

7 - Other Conditions

7.10 - Certified Timber

7.10.1 - Non-certified timber (2/16)

The area encompassed by this timber sale is not certified to the standards of the Forest Stewardship Council (FSC) or the Sustainable Forestry Initiative (SFI). Forest products from this sale may not be delivered to the mill as "FSC and / or SFI certified". The lands within this sale are managed for military training.

