

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #6826

SCHEDULED SALE DATE AND TIME: 4:00 p.m. (local time) on May 24, 2021.

LOCATION: KALKASKA FIELD OFFICE, 2089 NORTH BIRCH STREET, KALKASKA, MI 49646.

CONTACT NAME: David Lemmien PHONE NUMBER: (231) 922-6040

PROSPECTUS NOTE: It is recommended that for the duration of the "Stay Home, Stay Safe" executive order that bidders submit their bids through the Online Bidding System (https://www2.dnr.state.mi.us/VMSOnlineBidding/). If you need to register, contact Jake Reid (ReidJ6@michigan.gov, 517-284-5908) or Donovan Asselin (AsselinD@michigan.gov, 517-930-1326). Paper bids will still be accepted during this time, either dropped in the bid box at the bid location or by mailing. If mailing, please allow for additional time.

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

<u>Day Road Chip Wood</u> (61-103-21) / T28N, R07W, SEC. 22, NESE,S1/2SE. T28N, R07W, SEC. 23, SW.

Kalkaska County, Advertised Price \$22,316.50, 115.2 Acres, Aspen, Hardwood. SALE NOTE: Payment Units 1a and 4 on this sale must be chip harvested.

TIMBER SALE INFORMATION

<u>Day Road Chip Wood (61-103-21)</u> T28N, R07W, SEC. 22; T28N, R07W, SEC. 23. Kalkaska County (Advertised Price \$22,316.50)

SALE NOTE: Payment Units 1a and 4 on this sale must be chip harvested.

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*		ADVERTISED PRICE	
Sawtimber				
Mixed Aspen	24.8	MBF	\$	79.00 / MBF
Red Maple	25.7	MBF	\$	116.00 / MBF
Red Pine	10.0	MBF	\$	78.00 / MBF
Sugar Maple	18.5	MBF	\$	155.00 / MBF
Pulpwood				
Jack Pine	5	Cords	\$	7.60 / Cord
Mixed Aspen	236	Cords	\$	12.65 / Cord
Mixed Hardwood	306	Cords	\$	11.75 / Cord
Red Pine	251	Cords	\$	27.85 / Cord
Scotch Pine	5	Cords	\$	14.35 / Cord
White Pine	4	Cords	\$	11.90 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 8.33 percent. There are an estimated 975 cords on this timber sale, plus or minus 81 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 \$2,231.65 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	8.5%
02	28.2%
03	29.9%
04	15.8%
05	17.6%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2023.

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
Γ	76,994	975	8.33%	893	1,056

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
16	10,717	136	21.13%	107	164
33	13,783	174	19.19%	141	208
39	17,830	226	5.38%	214	238
40	948	12	0.00%	12	12
41	2,826	36	21.28%	28	43
42	5,030	64	44.44%	35	92
46	3,145	40	36.06%	25	54
54	2,714	34	7.69%	32	37
61	13,697	173	28.52%	124	223
403	5,284	67	37.15%	42	92
TOTAL:	75,974	962		760	1,163

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
16	12.0	3	12.0
33	7.4	5	7.4
39	19.3	2	19.3
40	0.9	1	0.9
41	25.6	1	25.6
42	7.9	1	7.9
46	4.5	4	4.5
54	2.4	4	2.4
61	6.0	3	6.0
403	29.2	4	29.2
TOTAL:	115.2		115.2

DESCRIPTION OF TIMBER BY PU (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE	
1	Red Pine	Sawtimber		MBF	34.4		
'	Sugar Maple	Sawumber	0.6 2.8	MBF	34.4	\$1,898.65	
		Dulmuraad		l			
	Mixed Aspen	Pulpwood	32	Cords			
	Quaking Aspen		32	Cords			
	Mixed Hardwood		60	Cords			
	Beech		2	Cords			
	Black Cherry		14	Cords			
	Ironwood		8	Cords			
	Red Maple		11	Cords			
	Sugar Maple		25	Cords			
	Red Pine		9	Cords			
	Scotch Pine		4	Cords			
2	Red Pine	Pulpwood	226	Cords	19.3	\$6,294.10	
3	Mixed Aspen	Sawtimber	8.3	MBF	18.0	\$6,659.75	
	B. T. Aspen		3.1	MBF			
	Quaking Aspen		5.2	MBF			
	Red Maple		16.2	MBF			
	Sugar Maple		7.1	MBF			
	Mixed Aspen	Pulpwood	82	Cords			
	B. T. Aspen		38	Cords			
	Quaking Aspen		44	Cords			
	Mixed Hardwood		162	Cords			
	Ironwood		4	Cords			
	Red Maple		99	Cords			
	Sugar Maple		59	Cords			
	Red Pine		3	Cords			
4	Red Pine	Sawtimber	9.4	MBF	36.1	\$3,536.75	
	Sugar Maple		8.6	MBF			
	Jack Pine	Pulpwood	5	Cords			
	Mixed Aspen		37	Cords			
	Quaking Aspen		37	Cords			
	Mixed Hardwood		46	Cords			
	Black Cherry		10	Cords			
	Ironwood		8	Cords			
	Red Maple		3	Cords			
	Sugar Maple		25	Cords			
	Red Pine		13	Cords			
	Scotch Pine		1	Cords			
	White Pine		4	Cords			
5	Mixed Aspen	Sawtimber	16.5	MBF	7.4	\$3,927.25	
	B. T. Aspen		16.5	MBF			
	Red Maple		9.5	MBF			
	Mixed Aspen	Pulpwood	85	Cords			
	B. T. Aspen	I	85	Cords			
	Mixed Hardwood		38	Cords			
	Black Cherry		2	Cords			
	Ironwood		2	Cords			
	Red Maple		34	Cords			
	<u> </u>	TOTAL:	79.0	MBF	•		
		TOTAL:	807	Cords			

Sale Specific Conditions & Requirements

Sale Name: Day Road Chip Wood Sale Number: 61-103-21 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. The painted boundary line trees are not Included Timber and are to be protected. 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) 1a and 4, cut all trees that are one (1) inch or more at DBH and all trees that are 4 feet or taller.

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

Within Payment Unit(s) 1b, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut all ironwood, beech, and aspen.

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

Within Payment Unit(s) 3 and 5, all trees with DBH equal to or greater than 4 inches which meet minimum piece specifications in 2.2 Utilization, are designated for cutting except for trees marked with green paint.

2.1.8 - Designated plantation row unit(s) (12/08)

Within Payment Unit(s) 2, all trees which meet minimum piece specifications in 2.2 Utilization, within designated plantation rows are designated for cutting. Designated plantation rows are every third-row. begin with the third row in from the outside of the plantation, then continue every third row. Because of the variability of row direction, it shall be the responsibility of the producer to maintain the third row sequence.

2.2 - Utilization

2.2.2 - Chipping required (2/18)

Payment Units 1a and 4 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. Products may be produced as roundwood and forwarded to decking areas in final product length, but the tops must be left intact and skidded to the landing for chipping to minimize the amount of residual slash. A chipping exemption can be obtained if proposed operations are determined to be suitable for planting by reforestation 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 is still applicable (G. C. & R. 2.2).

2.2.3 - Stump heights (4/07)

Stump heights within Payment Units 1a and 4 shall not exceed 6 inches for all trees. This is to facilitate planting operations.

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.

Within the Sale Area, if more than 20% of the maple seedlings or saplings, in Payment Units 3 and 5, (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.

No damage is acceptable to undesignated live merchantable trees. Within the Sale Area, if more than 10% 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.

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 within 30 days of completion of hauling. 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. Contact the sale administrator for specific details of design and placement.

5 - Operations

5.1 - Notification

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

The Purchaser is responsible for contacting the gas or pipeline company 30 days prior to operating equipment in the vicinity of well heads or natural gas pipelines.

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.

5.2.29 - Shrub protection (1/20)

Do not cut or damage hawthorn, witch-hazel, dogwood, or juneberry within Payment Units 3 and 5. 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.

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.

5.7 - Protection of Historical Sites

5.7.1 - Historical sites (7/12)

The Purchaser shall not cut live or dead trees or operate equipment within historical sites. Historical sites are marked with a red boundary line. The Purchaser shall protect historical sites from damage by the Purchaser's operations. If Purchaser's

operations have cut or damaged historical sites through carelessness, the Purchaser shall pay \$500 as fixed, agreed and liquidated damages for each acre or part thereof cut or damaged.

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 Day Road and Wood Road prior to beginning operations. The road must be posted approximately 350 feet 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 4/14/2021 10:42:58AM

