

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #7017

<u>SCHEDULED SALE DATE AND TIME:</u> 10:00 a.m. (local time) on March 22, 2022. <u>LOCATION:</u> ATLANTA MGMT UNIT, 13501 M 33, ATLANTA, MI 49709.

CONTACT NAME: Cody Stevens PHONE NUMBER: (989) 785-4251

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

<u>Finger Point Hardwood</u> (54-030-21) / T29N, R03E, SEC. 20, SENW,SWNE,SW,W1/2SE. T29N, R03E, SEC. 29, E1/2NE. Montmorency County, Advertised Price \$44,694.20, 94.9 Acres, Hardwood, Red Oak. SALE NOTE: All units of volume listed for this sale were estimated using the Inventory Manager computer program and the new Michigan taper model.

TIMBER SALE INFORMATION

Finger Point Hardwood (54-030-21)

T29N, R03E, SEC. 20; T29N, R03E, SEC. 29.

Montmorency County (Advertised Price \$44,694.20)

SALE NOTE: All units of volume listed for this sale were estimated using the Inventory Manager computer program and the new Michigan taper model.

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	D UNITS*	<u>ADV</u>	ERTISED PRICE
Sawtimber				
B. T. Aspen	23.2	MBF	\$	101.00 / MBF
Basswood	78.5	MBF	\$	53.00 / MBF
Beech	36.9	MBF	\$	45.00 / MBF
Red Oak	40.2	MBF	\$	168.00 / MBF
Sugar Maple	31.0	MBF	\$	396.00 / MBF
Pulpwood				
B. T. Aspen	27	Cords	\$	25.60 / Cord
Mixed Hardwood	704	Cords	\$	21.55 / Cord
Red Oak	45	Cords	\$	36.40 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 6.03 percent. There are an estimated 1,328 cords on this timber sale, plus or minus 80 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 \$2,234.71 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	23.2%
02	19.2%
03	24.6%
04	33.0%

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

5. Operations on the contract issued will terminate on 12/31/2024.

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	
104,924	1,328	6.03%	1,248	1,408	

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
28	64,684	819	7.84%	755	883
65	29,616	375	8.62%	343	407
TOTAL:	94,300	1,194		1,097	1,290

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
28	71.6	1	24.8
		2	20.5
		3	26.3
65	23.3	4	23.3
TOTAL:	94.9		94.9

DESCRIPTION OF TIMBER BY PU (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Basswood	Sawtimber	22.4	MBF	24.8	\$10,357.40
	Beech		6.8	MBF		
	Red Oak		3.4	MBF		
	Sugar Maple		10.0	MBF		
	Mixed Hardwood	Pulpwood	196	Cords		
	Basswood		61	Cords		
	Beech		59	Cords		
	Ironwood		6	Cords		
	Sugar Maple		70	Cords		
	Red Oak		3	Cords		
2	Basswood	Sawtimber	18.6	MBF	20.5	\$8,580.45
	Beech		5.6	MBF		
	Red Oak		2.8	MBF		
	Sugar Maple		8.3	MBF		
	Mixed Hardwood	Pulpwood	163	Cords		
	Basswood		51	Cords		
	Beech		49	Cords		
	Ironwood		5	Cords		
	Sugar Maple		58	Cords		
	Red Oak		2	Cords		
3	Basswood	Sawtimber	23.8	MBF	26.3	\$10,979.40
	Beech		7.2	MBF		
	Red Oak		3.6	MBF		
	Sugar Maple		10.6	MBF		
	Mixed Hardwood	Pulpwood	208	Cords		
	Basswood		65	Cords		
	Beech		62	Cords		
	Ironwood		6	Cords		
	Sugar Maple		75	Cords		
	Red Oak	0 " 1	3	Cords		* / / ==0.05
4	B. T. Aspen	Sawtimber	23.2	MBF	23.3	\$14,776.95
	Basswood		13.7	MBF		
	Beech Bed Oak		17.3	MBF		
	Red Oak		30.4	MBF		
	Sugar Maple	Pulpwood	2.1 27	MBF Cords		
	B. T. Aspen Mixed Hardwood	Pulpwood	27 137	Cords		
	Basswood		35	Cords		
	Basswood Beech		35 83	Cords		
	Ironwood		7	Cords		
	Sugar Maple		12	Cords		
	Red Oak		37	Cords		
	1	TOTAL:	209.8	MBF	<u> </u>	
		TOTAL:	776	Cords		

Sale Specific Conditions & Requirements

Sale Name: Finger Point Hardwood

Sale Number: 54-030-21 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. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint as shown on the Timber Sale Map. The painted boundary line trees are not Included Timber and are to be protected. Do not cut trees marked with only yellow paint. Yellow and orange 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

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

Within Payment Unit(s) 1-4, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut all ash and beech, except for those marked with green paint.

2.2 - Utilization

2.2.6 - Roundwood operation required (3/21)

The skidding of whole trees or tree segments with limbs attached is prohibited within all Payment Units. All products must be produced as roundwood and forwarded to existing roads or landing areas in final product length.

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.

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 Timber.

4 - Transportation

4.1 - Construction

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 chipped, utilized, or otherwise removed from the sale.

4.1.6 - Road construction (1/09)

Construction 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. 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.

4.4 - Access

4.4.3 - Access gate (12/08)

The access gate to Payment Units 1-3 is shown on the Timber Sale Map. It must be locked at the completion of each day unless otherwise approved by the Unit Manager or his/her representative. Contact the well operating company or the Atlanta office within 7 days of beginning operations to obtain a key.

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.

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

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

Merit Energy Company 13727 Noel Road, Suite 1200, Tower 2 Dallas, Texas 75240

Phone: 972-701-8377 Fax: 972-960-1252

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

5.2.2 - 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) 1-4, 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 Unit(s) 1-4 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.

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.

5.4.2 - Skid trails (2/04)

Skid trails up and down slopes should be avoided. If however this is unavoidable, these trails will be left in a non-erodible condition using water bars, logs, and slash. Placing of slash on these skid trails while logging is ongoing may alleviate need for any further action. At the direction of the sale administrator, seed, fertilizer, and mulch may also be required.

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.

7 - Other Conditions

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from beech bark disease and the emerald ash borer. The Purchaser should harvest the wood as soon as possible. The Department of Natural Resources is held free of responsibility of any further damage or deterioration due to delay in harvesting.

