

# DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN <u>TIMBER SALE PROSPECTUS #7054</u>

# <u>SCHEDULED SALE DATE AND TIME:</u> 9:00 a.m. (local time) on April 25, 2022. <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:

Bookin' Bobcat Pine (72-001-21) / T25N, R04W, SEC. 29, S1/2SW,SWSE. Crawford County, Advertised Price \$26,605.00, 56.2 Acres, Jack Pine, Red Pine.

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 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 | ESTIMATED UNITS* |       | <u>ADV</u> | ADVERTISED PRICE |  |
|--------------------|------------------|-------|------------|------------------|--|
| Sawtimber          |                  |       |            |                  |  |
| Jack Pine          | 21.0             | MBF   | \$         | 31.00 / MBF      |  |
| Red Pine           | 195.8            | MBF   | \$         | 89.00 / MBF      |  |
| Pulpwood           |                  |       |            |                  |  |
| Jack Pine          | 280              | Cords | \$         | 15.35 / Cord     |  |
| Mixed Hardwood     | 56               | Cords | \$         | 24.10 / Cord     |  |
| Quaking Aspen      | 17               | Cords | \$         | 24.90 / Cord     |  |
| Red Pine           | 79               | Cords | \$         | 31.10 / Cord     |  |

\* The total volume is statistically estimated within plus (+) or minus (-) 7.05 percent. There are an estimated 964 cords on this timber sale, plus or minus 68 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 \$1,330.25 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 | 46.6% |
|----|-------|
| 02 | 53.4% |

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

5. Operations on the contract issued will terminate on 06/30/2024.

#### 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 |  |
| 76,153           | 964         | 7.05%         | 896                        | 1,032   |  |

#### **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 |
| 64     | 22,396           | 283         | 13.59%        | 245            | 322     |
| 66     | 20,083           | 254         | 14.26%        | 218            | 290     |
| 68     | 8,824            | 112         | 12.77%        | 97             | 126     |
| 69     | 24,850           | 315         | 12.83%        | 274            | 355     |
| TOTAL: | 76,153           | 964         |               | 835            | 1,093   |

#### 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.

| TOTAL: | 56.2      |    | 56.2     |
|--------|-----------|----|----------|
|        |           | 2  | 11.4     |
| 69     | 15.1      | 1  | 3.7      |
| 68     | 4.0       | 2  | 4.0      |
|        |           | 2  | 4.2      |
| 66     | 19.2      | 1  | 15.0     |
|        |           | 2  | 6.5      |
| 64     | 17.9      | 1  | 11.4     |
| VDU    | VDU ACRES | PU | PU ACRES |

# DESCRIPTION OF TIMBER BY PU (PU)

| PU | MARKET GROUP     | PRODUCT   | QUANTITY | UNIT  | ACRES | ADVERTISE PRICE |
|----|------------------|-----------|----------|-------|-------|-----------------|
| 1  | Jack Pine        | Sawtimber | 10.3     | MBF   | 30.1  | \$12,389.10     |
|    | Red Pine         |           | 91.1     | MBF   |       |                 |
|    | Jack Pine        | Pulpwood  | 118      | Cords |       |                 |
|    | Jack Pine        |           | 116      | Cords |       |                 |
|    | White Pine       |           | 2        | Cords |       |                 |
|    | Mixed Hardwood   |           | 34       | Cords |       |                 |
|    | Northern Pin Oak | Sawtimber | 3.5      | MBF   |       |                 |
|    | Red Maple        |           | 0.8      | MBF   |       |                 |
|    | Northern Pin Oak | Pulpwood  | 11       | Cords |       |                 |
|    | Red Maple        |           | 9        | Cords |       |                 |
|    | White Oak        |           | 5        | Cords |       |                 |
|    | Quaking Aspen    |           | 6        | Cords |       |                 |
|    | Red Pine         |           | 38       | Cords |       |                 |
| 2  | Jack Pine        | Sawtimber | 10.7     | MBF   | 26.1  | \$14,215.90     |
|    | Red Pine         |           | 104.7    | MBF   |       |                 |
|    | Jack Pine        | Pulpwood  | 162      | Cords |       |                 |
|    | Jack Pine        |           | 156      | Cords |       |                 |
|    | White Pine       |           | 6        | Cords |       |                 |
|    | Mixed Hardwood   |           | 22       | Cords |       |                 |
|    | Northern Pin Oak | Sawtimber | 3.0      | MBF   |       |                 |
|    | Red Maple        |           | 0.5      | MBF   |       |                 |
|    | Northern Pin Oak | Pulpwood  | 8        | Cords |       |                 |
|    | Red Maple        |           | 5        | Cords |       |                 |
|    | White Oak        |           | 2        | Cords |       |                 |
|    | Quaking Aspen    |           | 11       | Cords |       |                 |
|    | Red Pine         |           | 41       | Cords |       |                 |
|    |                  | TOTAL:    | 216.8    | MBF   |       |                 |
|    |                  | TOTAL:    | 432      | Cords |       |                 |

# Sale Specific Conditions & Requirements

#### Sale Name: Bookin' Bobcat Pine

Sale Number: 72-001-21 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. 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) 1 and 2, cut all trees that are two (2) inches or more at DBH, except do not harvest white oak over 24" at DBH. In addition, do not cut or damage advanced regeneration in west 5 acres of Payment Unit 2 south of the two-track.

2.2 - Utilization

2.2.2 - Chipping required (2/18)

This area 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. 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 the Sale Area shall not exceed 6 inches for all trees. This is to facilitate planting operations.

### 3 - Payments

3.3 - Pre-measured Sales

### 3.3.4 - Dividing payment units (7/14)

Payment Unit(s) 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. There will be only one division per Payment Unit.

- 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 Payment Unit 2, if more than 50% of the tree seedlings or saplings (1/4" to 4.5" DBH) in the lobe on the west end south of the two-track 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.

### 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 dispersed throughout the sale.

## 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. All trees to be cut for access purposes must be pre-approved by the sale administrator.

# 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. 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.

4.1.11 - Permits (2/12)

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

# 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 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 gas or pipeline company prior to operating equipment in the vicinity of well heads or natural gas pipelines.

# 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.

### 5.1.6 - Utility R.O.W. (4/19)

It is the responsibility of the Purchaser to obtain permission from the utility company to utilize the pipeline R.O.W. for 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.

# 5.2.32 - 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.

### 5.2.37 - No decking areas (12/08)

No decking is allowed within 50 feet of injection sites without permission of the pipeline company and the Unit Manager or his/her representative.

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

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

# 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 Hunters Truck Trail 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.

