

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN <u>TIMBER SALE PROSPECTUS #7132</u>

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on October 7, 2022. LOCATION: ROSCOMMON MGMT UNIT, PO BOX 218, ROSCOMMON, MI 48653.

<u>CONTACT NAME:</u> Doug Bates <u>PHONE NUMBER:</u> (989) 275-4622

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

Townline Oak (71-017-22) / T22N, R03W, SEC. 19, W1/2NW. Roscommon County, Advertised Price \$10,245.15, 52.1 Acres, Hardwood, Red Oak.

TIMBER SALE INFORMATION

<u>Townline Oak (71-017-22)</u> T22N, R03W, SEC. 19. Roscommon County (Advertised Price \$10,245.15)

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>ADV</u> | ERTISED PRICE |
|--------------------|----------|------------------|------------|---------------|
| Sawtimber | | | | |
| BI/R/Hybrid Oak | 44.3 | MBF | \$ | 105.00 / MBF |
| Red Oak | 9.0 | MBF | \$ | 99.00 / MBF |
| Pulpwood | | | | |
| Mixed Oak | 293 | Cords | \$ | 16.05 / Cord |

* The total volume is statistically estimated within plus (+) or minus (-) 23.12 percent. There are an estimated 414 cords on this timber sale, plus or minus 96 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 \$512.26 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.
- (c) Payment for each of the following units must be made before cutting begins in that unit: PAYMENT UNIT NUMBER 01
 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 12/31/2024.

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 | |
| 32,742 | 414 | 23.12% | 319 | 510 | |

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 | 32,742 | 414 | 23.13% | 319 | 510 |
| TOTAL: | 32,742 | 414 | | 319 | 510 |

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 | 52.1 | 1 | 52.1 |
| TOTAL: | 52.1 | | 52.1 |

DESCRIPTION OF TIMBER BY PU (PU)

| PU | MARKET GROUP | PRODUCT | QUANTITY | UNIT | ACRES | ADVERTISE PRICE |
|----|-----------------|-----------|----------|-------|-------|-----------------|
| 1 | BI/R/Hybrid Oak | Sawtimber | 44.3 | MBF | 52.1 | \$10,245.15 |
| | Red Oak | | 9.0 | MBF | | |
| | Mixed Oak | Pulpwood | 293 | Cords | | |
| | Bl/R/Hybrid Oak | | 280 | Cords | | |
| | Red Oak | | 6 | Cords | | |
| | White Oak | | 7 | Cords | | |
| | | TOTAL: | 53.3 | MBF | | |
| | | TOTAL: | 293 | Cords | | |

Sale Specific Conditions & Requirements

Sale Name: Townline Oak

Sale Number: 71-017-22 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 and red paint. Exterior sale boundary lines against private property are marked with blue 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

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

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

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH.

2.2.6 - Roundwood operation required (3/21)

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

2.2.9 - No chipping permitted (12/08)

Within Payment Unit(s) 1, all wood must be removed by roundwood. No chipping is permitted.

3 - Payments

3.3 - Pre-measured Sales

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3.3.4 - Dividing payment units (7/14)
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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.

- 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 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 \$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 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 dispersed throughout the sale.

4.1.4 - Timber removed for construction (12/09)

Trees cut or damaged in the process of pre-approved road, landing or skid trail construction will be decked in an area separate from other Designated Timber and not removed until measured by the sale administrator. Payment will be made at the specified Purchase Unit Price.

4.1.12 - No new roads (1/12)

No new roads will be permitted in any Payment Unit. All operations are limited to existing roads. Skid trails only will be allowed.

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

Hauling may be restricted on forest roads by the Unit Manager or his/her representative. The restriction may occur during wet weather conditions.

4.2.3 - Road maintenance (8/13)

The following road maintenance may be needed: Within 60 days of completion of hauling, or if no hauling occurs for 60 days, the road must be maintained and graded to the condition prior to usage. This includes cleaning of drainage areas, grading, crowning and filling with gravel, if necessary. Damages will be assessed if grading/repair does not occur.

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

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5.1.1 - Pre-sale conference (10/16)
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A pre-sale conference between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations.

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

5.2.1 - Slash

5.2.1.8 - Slash height (12/08)No slash or tree tops may exceed 24 inches in height.

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

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

Within the sale area, 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.

5.2.4 - Dead and Down Creation

5.2.4.3 - Dead and down creation, dead trees (6/07)

Except as provided for in General Condition and Requirement 5.2.2, no dead trees, standing or down, are to be cut, skidded, or processed.

5.2.29 - Shrub protection (1/20)

Do not cut or damage hawthorn, witch-hazel, dogwood 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.

5.4 - 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.

5.4.3 - Erosion control (12/08)

Skid trails or haul roads may require erosion control structures or berms per direction of the Unit Manager or his/her representative.

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 Townline Road 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.

7 - Other Conditions

7.3 - Contract Modifications

7.3.2 - Modification for oak wilt (2/05)

Within the sale area, there may be patches of oak wilt. If oak wilt is identified within the sale area, this contract may be modified. The following modifications could occur: time of cutting, species to cut, volume to harvest, or various others dealing with the treatment of oak wilt. If a species is not specified in this contract, it shall be paid for at the average price received for that species and product.

