

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN TIMBER SALE PROSPECTUS #7185

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on January 30, 2023.

LOCATION: 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:

Down in the Dumps Aspen (72-013-22) / T28N, R03W, SEC. 4, S1/2SW,N1/2SE.

T28N, R03W, SEC. 5, E1/2NW,W1/2NE,SESE.

T28N, R03W, SEC. 8 , NENE.

T28N, R03W, SEC. 9 , NWNW.

T29N, R03W, SEC. 32, SWSE.

Crawford County, Advertised Price \$55,831.60, 102.8 Acres, Aspen, Hardwood.

SALE NOTE: All harvesting operations within Payment Unit 3 are limited to the period of September 1 through December 31 (see spec 5.8.6). Permission for access across private land owned by the Waste Management Corporation is the responsibility of the Purchaser (see spec 4.4.1).

Access may be through private or other public land.

TIMBER SALE INFORMATION

Down in the Dumps Aspen (72-013-22)

T28N, R03W, SEC. 4; T28N, R03W, SEC. 5; T28N, R03W, SEC. 8; T28N, R03W, SEC. 9; T29N, R03W, SEC. 32.

Crawford County (Advertised Price \$55,831.60)

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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	<u>ESTIMATE</u>	ESTIMATED UNITS*		ERTISED PRICE
Sawtimber				
Basswood	2.5	MBF	\$	69.00 / MBF
Mixed Aspen	82.5	MBF	\$	71.00 / MBF
Red Maple	10.3	MBF	\$	74.00 / MBF
Red Oak	1.6	MBF	\$	121.00 / MBF
Pulpwood				
Jack Pine	5	Cords	\$	18.80 / Cord
Mixed Aspen	1,162	Cords	\$	28.20 / Cord
Mixed Hardwood	415	Cords	\$	29.45 / Cord
Paper Birch	61	Cords	\$	23.15 / Cord
Red Oak	82	Cords	\$	28.05 / Cord
Scotch Pine	4	Cords	\$	12.35 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 16.87 percent. There are an estimated 1,941 cords on this timber sale, plus or minus 328 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 \$2,791.58 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 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	16.9%
02	21.9%
03	61.2%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 03/31/2025.

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	
153,356	1,941	16.87%	1,614	2,269	

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	93,724	1,186	17.58%	978	1,395
27	34,805	441	19.13%	356	525
34	24,827	314	45.92%	170	459
TOTAL:	153,356	1,941		1,504	2,378

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	41.1	3	41.1
27	39.8	2	39.8
34	21.9	1	21.9
TOTAL:	102.8		102.8

DESCRIPTION OF TIMBER BY PU (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Basswood	Sawtimber	2.5	MBF	21.9	\$9,421.20
	Mixed Aspen		35.0	MBF		
	B. T. Aspen		27.4	MBF		
	Quaking Aspen		7.6	MBF		
	Red Maple		1.7	MBF		
	Mixed Aspen	Pulpwood	148	Cords		
	B. T. Aspen		15	Cords		
	Quaking Aspen		133	Cords		
	Mixed Hardwood		82	Cords		
	Basswood		3	Cords		
	Ironwood		2	Cords		
	Red Maple		59	Cords		
	Sugar Maple		18	Cords		
	Scotch Pine		4	Cords		
2	Mixed Aspen	Sawtimber	23.5	MBF	39.8	\$12,229.10
	B. T. Aspen		3.2	MBF		
	Quaking Aspen		20.3	MBF		
	Red Maple		2.5	MBF		
	Jack Pine	Pulpwood	5	Cords		
	Mixed Aspen		327	Cords		
	B. T. Aspen		8	Cords		
	Quaking Aspen		319	Cords		
	Mixed Hardwood		36	Cords		
	Red Maple		36	Cords		
3	Mixed Aspen	Sawtimber	24.0	MBF	41.1	\$34,181.30
	B. T. Aspen		24.0	MBF		
	Red Maple		6.1	MBF		
	Red Oak		1.6	MBF		
	Mixed Aspen	Pulpwood	687	Cords		
	B. T. Aspen		638	Cords		
	Quaking Aspen		49	Cords		
	Mixed Hardwood		297	Cords		
	Beech		121	Cords		
	Red Maple		176	Cords		
	Paper Birch		61	Cords		
	Red Oak		82	Cords		
		TOTAL:	96.9	MBF		

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Sale Specific Conditions & Requirements

Sale Name: Down in the Dumps Aspen Sale Number: 72-013-22 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 red and blue paint. Fence line serves as an unpainted sale boundary on the west end of Payment Unit 1. This location is shown on the Timber Sale Map. A line of trees painted with pink paint is present in the southeast portion of Payment Unit 3. This line can be disregarded and the trees harvested once operations begin in PU3. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior retention islands are marked with red painted X's. Boundary excluded retention areas are shown on the Timber Sale Map. No harvesting activities may occur within retention areas. The red and blue 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, 2 and 3, cut all trees that are two (2) inches or more at DBH with the following exceptions:

- Within Payment Unit 1, do not cut any oak or conifer species, except jack pine and scotch pine which is to be cut and is Included Timber
- Within Payment Unit 2, do not cut trees marked with green paint or any conifer species, except jack pine which is to be cut and is Included Timber.
- Within Payment Unit 3, do not cut any conifer species.

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

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) 3 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 allowed for Payment Unit 3.

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 Payment Units 1 and 2.

Within Payment Units 1 and 2, 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 the half-dozen or so Legacy red pine trees located in Payment Unit 3. Legacy trees are defined as having some of the following characteristics: twenty six (26) inches or more at DBH, 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

4.1.3 - 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)

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, 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.

4.1.11 - Permits (2/12)

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

4.2 - Maintenance

4.2.2 - Fill material (4/07)

To maintain roads, fill material may be needed in areas where "holes" exist or may be expected to develop. This fill material should be placed before trucking begins. Access routes into each Payment Unit have a few areas with potential to develop "holes" depending on seasonal conditions. The Unit Manager or his/her representative must approve the type of fill material used prior to placement. In general, suitable fill material includes clean cobble and/or crushed rock.

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

4.4.1 - Private property access (3/11)

Permission for access across private land owned by the Waste Management Corporation is the responsibility of the Purchaser. Jim Palmer, Landfill District Manager, can be reached at 989-202-8940. Should the Purchaser desire to cross private land, a copy of the written permission from the private land-owner may be required by the DNR.

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 prior to operating equipment in the vicinity of well heads or natural gas pipelines. Well heads and/or underground gas pipelines are present along, within or near Payment Units 1, 2 and 3. Contact Riverside Energy Michigan, LLC at 231-995-4000. Written permission is required before harvest operations begin and must be submitted to the Unit Manager or his/her representative.

In addition, a ground water testing well head maintained by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) is present near the center of Payment Unit 1, close to the access road. This well head is just a few feet outside the harvest boundary of PU1. Use extreme caution when operating near the ground water testing well head.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.10 - No slash in openings (5/10)

No brush or logging debris is to be left in openings that are indicated by G0, U0 or X0 on the Timber Sale Map. Any damage to the opening shall be repaired according to specifications of the Unit Manager or his/her representative.

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.

5.2.4 - 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.

5.2.4.4 - Dead and down creation, grouse (6/18)

To encourage grouse and other wildlife, in Payment Unit(s) 1, 2 and 3, leave one, twelve (12) inch or larger diameter (or largest diameter trees within stand) whole tree on the ground for every 2 acres, preferably a hardwood species such as oak or maple. These trees will be evenly scattered throughout Payment Units and preferably placed at least two chains from any road, two-track, or trail open to vehicles.

5.2.29 - Shrub protection (1/20)

Do not cut or damage hawthorn and juneberry shrubs in Payment Unit 1. 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, earthen mounds, 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 25 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.

5.8.6 - Protection of eagle nests (5/12)

To protect an active eagle's nest, all harvesting operations within Payment Unit 3 are limited to the period of September 1 through December 31.

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 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.	
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