

# DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN TIMBER SALE PROSPECTUS #7432

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on July 11, 2024. LOCATION: BARAGA MGMT UNIT, 427 US 41 NORTH, BARAGA, MI 49908.

<u>CONTACT NAME:</u> Brad Carlson <u>PHONE NUMBER:</u> (906) 353-6651

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

GNA2 Gremlin 2.0 (12-802-24) / T43N, R38W, SEC. 2, N1/2NE.

T44N, R38W, SEC. 25, S1/2SE. T44N, R38W, SEC. 35, S1/2SE.

T44N, R38W, SEC. 36, NENW, S1/2NW, NE, SW, N1/2SE.

Gogebic County, Advertised Price \$60,779.70, 295.3 Acres, Hardwood, Sugar Maple.

SALE NOTE: Pay close attention to USFS operating restrictions listed in the sale specs (see spec 5.2.3.1).

Access may be through other public land.

## TIMBER SALE INFORMATION

## GNA2 Gremlin 2.0 (12-802-24)

T43N, R38W, SEC. 2; T44N, R38W, SEC. 25; T44N, R38W, SEC. 35; T44N, R38W, SEC. 36. Gogebic County (Advertised Price \$60,779.70)

SALE NOTE: Pay close attention to USFS operating restrictions listed in the sale specs (see spec 5.2.3.1).

Access may be through other public land.

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					
Red Maple	44.1	MBF	\$	113.00 / MBF	
Sugar Maple	125.8	MBF	\$	195.00 / MBF	
White Spruce	6.9	MBF	\$	52.00 / MBF	
Yellow Birch	17.6	MBF	\$	109.00 / MBF	
Pulpwood					
Balsam Fir	8	Cords	\$	4.35 / Cord	
Mixed Hardwood	2,669	Cords	\$	10.65 / Cord	
Quaking Aspen	27	Cords	\$	19.20 / Cord	
White Spruce	1	Cords	\$	10.15 / Cord	

<sup>\*</sup> The total volume is statistically estimated within plus (+) or minus (-) 15.98 percent. There are an estimated 3,161 cords on this timber sale, plus or minus 505 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 \$3,038.99 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:

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PAYMENT UNIT NUMBER		PERCENT OF TOTAL SALE VALUE
01		23.1%
02		32.5%
03		31.3%
04		13.1%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2028.

# 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	
249,700	3,161	15.98%	2,655	3,666	

# **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	249,700	3,161	15.99%	2,655	3,666
TOTAL:	249,700	3,161		2,655	3,666

# **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	295.3	1	68.1
		2	96.0
		3	92.5
		4	38.7
TOTAL:	295.3		295.3

# DESCRIPTION OF TIMBER BY PU (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Maple	Sawtimber	10.2	MBF	68.1	\$14,022.00
	Sugar Maple		29.0	MBF		
	White Spruce		1.6	MBF		
	Yellow Birch		4.1	MBF		
	Balsam Fir	Pulpwood	2	Cords		
	Mixed Hardwood		616	Cords		
	Black Cherry		91	Cords		
	Red Maple		83	Cords		
	Sugar Maple		386	Cords		
	Yellow Birch		56	Cords		
	Quaking Aspen		6	Cords		
2	Red Maple	Sawtimber	14.3	MBF	96.0	\$19,762.9
	Sugar Maple		40.9	MBF		, , , ,
	White Spruce		2.2	MBF		
	Yellow Birch		5.7	MBF		
	Balsam Fir	Pulpwood	2	Cords		
	Mixed Hardwood	l aipwood	868	Cords		
	Black Cherry		127	Cords		
	Red Maple		117	Cords		
	Sugar Maple		545	Cords		
	Yellow Birch		79	Cords		
				1		
	Quaking Aspen		9	Cords		
	White Spruce	<b>a</b>	1	Cords		
3	Red Maple	Sawtimber	13.8	MBF	92.5	\$19,015.70
	Sugar Maple		39.4	MBF		
	White Spruce		2.2	MBF		
	Yellow Birch		5.5	MBF		
	Balsam Fir	Pulpwood	3	Cords		
	Mixed Hardwood		835	Cords		
	Black Cherry		123	Cords		
	Red Maple		112	Cords		
	Sugar Maple		524	Cords		
	Yellow Birch		76	Cords		
	Quaking Aspen		8	Cords		
4	Red Maple	Sawtimber	5.8	MBF	38.7	\$7,979.05
	Sugar Maple		16.5	MBF		
	White Spruce		0.9	MBF		
	Yellow Birch		2.3	MBF		
	Balsam Fir	Pulpwood	1	Cords		
	Mixed Hardwood	,	350	Cords		
	Black Cherry		52	Cords		
	Red Maple		47	Cords		
	Sugar Maple		219	Cords		
	Yellow Birch		32	Cords		
	Quaking Aspen		4	Cords		
	<u> </u>	TOTAL:	194.4	MBF	I	<u> </u>

# Sale Specific Conditions & Requirements

Sale Name: GNA2 Gremlin 2.0 Sale Number: 12-802-24 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 orange paint. Exterior sale boundary lines against USFS and private property are marked with orange triple slashes. Interior Payment Unit boundaries are marked with orange double slashes. The painted boundary line trees are not Included Timber and are to be protected unless marked with blue paint.

## 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 blue paint above and below stump height, regardless of merchantability.

## 2.2 - Utilization

# 2.2.12 - GNA, cut and remove Included Timber (3/18)

Unless provided otherwise herein, the DNR agrees to sell and permit Purchaser to cut and remove Included Timber and Purchaser agrees to purchase, cut, and remove Included Timber.

# 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.

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

# 4.1.3 - 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.

# 4.1.5 - Culverts (5/14)

Roads may require the installation of culverts for cross drainage or at natural drainage-ways. If culverts are needed in these locations, their placement will be specified by the Sale Administrator, and they shall be installed prior to hauling. The culverts shall be new, corrugated metal or plastic gauge. Culverts will be a minimum of 18 inches in diameter and 30 feet in length. If culverts are removed, fill shall be removed from wetland soils as specified. Soils shall be maintained and left in a non-erodible condition, with water bars, seed, fertilizer, mulch, and slash installed as directed by the Sale Administrator and as specified in the BMP manual. Stream crossing permits, if needed, will be obtained by the DNR on USFS land.

# 4.1.7 - Road closure (10/11)

Existing roads may need to be closed or bermed to USFS specific road designations. 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.

# 4.1.8 - Road work (1) (8/07)

The following road work is required: The Purchaser will gravel all transitions onto USFS 3925 used during the timber sale. This work will be done prior to any hauling activity. The gravel used must be from a weed free source. In general, this will require between 5 to 10 yards of gravel per transition and must be done to the satisfaction of the Sale Administrator.

## 4.1.11 - Permits (2/12)

The DNR will secure any necessary permits that may be required. This is for USFS land only.

## 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 will only be allowed.

#### 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. Contact the Sale Administrator regarding the availability of onsite sand or gravel from adjacent USFS lands.

# 4.2.4 - Grading (10/16)

For completion of the sale, USFS roads must be graded. In general, this will require a road grader or bulldozer to shape up the roads after forest products have been hauled off site. This includes cleaning of drainage areas, grading, crowning and filling with gravel, if necessary. The grading equipment to be used must be approved by the Unit Manager or his/her representative.

#### 4.4 - Access

# 4.4.5 - Federal property access (3/11)

Permission for access across federal land has been obtained by the DNR.

# 5 - Operations

# 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

# 5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1-4, unless changed by written agreement, cutting, skidding, and hauling are limited to the period of August 1 to August 31, or during frozen winter conditions. This restriction is because of USFS soil and operating restrictions.

## 5.2.17 - Timber Mats and Interlocking Composite Mats (5/23)

Some roads or skid trails may require extra protection such as that afforded by timber mats, interlocking composite mats, or another approved system. If available, mats may be borrowed from the DNR. A Timber Sale Contract Amendment will be used to document the Purchaser's use of the DNR's mats. Contact the Sale Administrator regarding availability and pick-up. Timber mats are available from various field offices. Composite mats are only available from the Grayling field office and the Marquette ICC. The Purchaser is responsible for picking up and hauling the mats to and from the site. The composite mats will require DNR staff onsite for installation and removal. Contact the Sale Administrator to schedule at least 30 days before desired install/removal date. All mats must be cleaned prior to drop off. This may include, but is not limited to, power washing and brushing to remove mud and debris. A charge of \$700.00 per timber mat and \$2,000.00 per composite mat will be assessed for all damaged or non-returned mats. Damage for the crane/timber mats is defined as three or more broken cants. Damage for the composite mats is defined as cracked or broken mats.

# 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.

## 5.4 - 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 are 6 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.

# 5.4.6 - Wet area protection (5/10)

No harvesting operations, including skidding and felling, are to take place within the vernal pond areas or drainages. When harvesting occurs, there should be no disturbance to the vernal pond depression. All equipment, trees and tops should be kept out of this area. Within 50 feet of the pond, no equipment is allowed. Care must be taken by the Purchaser to identify and avoid operating in these areas of the timber sale.

# 5.6 - Debris and Waste Material

# 5.6.2 - GNA, equipment cleaning (4/24)

- (a) Areas, known by the DNR prior to timber sale advertisement, that are infested with invasive species of concern are shown on the Timber Sale Map. A current list of invasive species of concern and a map showing the extent of known infestations is available from the DNR. For purposes of this provision, "Off-Road Equipment" includes all logging and construction machinery, except for log trucks, chip vans, service vehicles, water trucks, pickup trucks, cars, and similar vehicles.
- (b) Purchaser shall adhere to the following requirements with regard to cleaning "Off-Road Equipment":
- (i) Prior to moving Off-Road Equipment onto the Sale Area, Purchaser shall identify the location of the equipment's most recent operation. Purchaser shall not move any Off-Road Equipment that last operated in an area infested with one or more invasive species of concern onto Sale Area without having cleaned such equipment of seeds, soil, vegetative matter, and other debris that could contain or hold seeds, and having notified the DNR, as provided in (iii). If the location of prior operation cannot be identified, then Purchaser shall assume that the location is infested with invasive species of concern.
- (ii) Prior to moving Off-Road Equipment from a cutting unit that is shown on the Timber Sale Map to be infested with invasive species of concern to, or through any other area that is shown as being free of invasive species of concern, or infested with a different invasive species, Purchaser shall clean such equipment of seeds, soil, vegetative matter, and other debris that could contain or hold seeds, and shall notify the DNR, as provided in (iii).
- (iii) Prior to moving any Off-Road Equipment subject to the cleaning requirements set forth above, Purchaser shall advise DNR of its cleaning measures and make the equipment available for inspection. DNR shall have 2 days, excluding weekends and State holidays, to inspect equipment after it has been made available. After satisfactory inspection or after such 2 day period, Purchaser may move the equipment as planned. Equipment shall be considered clean when a visual inspection does not disclose seeds, soil, vegetative matter, and other debris that could contain or hold seeds. Purchaser shall not be required to disassemble equipment unless so directed by the DNR after inspection.
- (iv) If Purchaser desires to clean Off-Road Equipment on National Forest land, such as at the end of a project or prior to moving to, or through an area that is free of invasive species of concern, Purchaser shall obtain prior approval from the Unit Manager or his/her representative as to the location for such cleaning and measures, if any, for controlling impacts.
- (v) Unit Manager or his/her representative may order delay, interruption, or modification of this Contract pursuant to Condition & Requirement 7.3 or 7.3.4.
- (c) Nothing contained in this Condition & Requirement shall be interpreted as creating any warranty on the part of the DNR that all locations of invasive species of concern have been described herein, elsewhere in this Contract, or designated on the ground. Following sale advertisement, additional locations may be described or designated, and other species may be added to the list of invasive species of concern. In such event, the Unit Manager or his/her representative may order delay,

interruption, or modification of this Contract pursuant to Condition & Requirement 7.3 or 7.3.4.

(d) The parties shall promptly communicate with one another with respect to description or designation of additional locations; discovery of locations of new species or new infestation; and, addition of species to the list of invasive species of concern.

# 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.

## 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 USFS 3925 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.

# 7 - Other Conditions

SKIP

## 7.1.1 - GNA, title (7/16)

General Condition & Requirement 7.1 is inapplicable. The following applies to this contract.

All right, title, and interest in and to any Included Timber shall remain in USDA Forest Service with the State of Michigan acting on behalf of the USDA Forest Service under this GNA contract, until it has been Measured, removed from Sale Area or other authorized cutting area, and paid for, at which time title shall vest in Purchaser. Title to any Included Timber that has been Measured and paid for, but not removed from Sale Area or other authorized cutting area by Purchaser on or prior to Termination Date, shall remain in USDA Forest Service.

#### 7.3 - Contract Modifications

- 7.3.4 GNA, contract suspension and modification (5/16)
- (a) The Unit Manager may, by written order, delay or interrupt authorized operations under this contract or, notwithstanding Condition & Requirement 7.3, modify this contract, in whole or in part:
- (i) To prevent environmental degradation or resource damage, including, but not limited to, harm to habitat, plants, animals, cultural resources, or cave resources;
- (ii) To ensure consistency with land and resource management plans or other documents prepared pursuant to the National Environmental Policy Act of 1969, 42 USC 4321-4347;
- (iii) To conduct environmental analysis, including, but not limited to, engaging in consultation pursuant to the Endangered Species Act of 1973, 16 USC 1531, et seq.; or
- (iv) Upon agreement of the Forest Service, due to administrative appeal or litigation, regardless of whether the Unit Manager's order is required by a court order or this contract is named in such a proceeding.
- (b) In the event of an order delaying or interrupting Purchaser's Operations under this Condition & Requirement, Purchaser's remedy shall be:
- (i) a no cost contract extension,
- (ii) reimbursement for Out-of-Pocket Expenses,

however, the foregoing remedies shall be available only to the extent that the Unit Manager's order was the sole and exclusive cause of the delay or interruption of Purchaser's operations.

- (c) Remedies awarded to the Purchaser shall not be duplicative, and the Unit Manager shall have the right to structure remedies provided herein to avoid duplicative compensation.
- (d) Purchaser agrees that this Condition & Requirement, and the remedies provided herein shall apply regardless of any finding by any court that the DNR failed to comply with any statute, regulation and/or policy in connection with awarding, advertising, or authorizing this sale, or a similar sale.

# 7.5 - Loss

# 7.5.2 - GNA, liability for loss (7/16)

If Included Timber is destroyed or damaged by an unexpected event that changes the nature of Included Timber, such as wind, flood, insects, disease, or similar cause, the Purchaser shall bear the timber value loss resulting from such destruction or damage.

Deterioration or loss of timber value due to delay or interruption under 7.3.4 - GNA, contract suspension and modification, shall be borne by the party holding title. In this event, Included Timber to which USDA Forest Service holds title, Purchaser of the State GNA contract will not be obligated to remove and pay for such timber. This Subsection shall not be construed to relieve either party of liability for negligence.

#### 7.10 - Certified Timber

# 7.10.1 - Non-certified timber (2/16)

The area encompassed by this timber sale is not certified to the standards of the Forest Stewardship Council (FSC) or the Sustainable Forestry Initiative (SFI). Forest products from this sale may not be delivered to the mill as "FSC and / or SFI certified". The lands within this sale belong to the National Forest system and are being managed by the State as part of a Good Neighbor Authority (GNA) agreement.

Section Name: Sale Specific Current as of 5/24/2024 3:18:20PM

