

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN <u>TIMBER SALE PROSPECTUS #7416</u>

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on April 15, 2024. 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:

 <u>Butterfly Lane Jack Pine</u> (72-621-23) / T27N, R01W, SEC. 6 , E1/2SE. T27N, R01W, SEC. 8 , NWNW,S1/2NW,SW,SWSE.
Crawford County, Advertised Price \$40,839.65, 79.6 Acres, Jack Pine, Red Pine.
SALE NOTE: This is a military sale on non-certified land, low stump and chipping required for military and planting requirements. Soft oak wilt restrictions and KW timing restrictions. Sale was cruised by summer student and dropped additional 20% to account for possible unforeseen error.

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*		ADVE	ADVERTISED PRICE	
Sawtimber					
Black/Red (Hybrid) Oak	35.9	MBF	\$	116.00 / MBF	
Jack Pine	16.4	MBF	\$	34.00 / MBF	
Pulpwood					
B. T. Aspen	64	Cords	\$	22.45 / Cord	
Jack Pine	882	Cords	\$	16.95 / Cord	
Mixed Hardwood	4	Cords	\$	23.30 / Cord	
Mixed Oak	181	Cords	\$	19.50 / Cord	
Red Pine	373	Cords	\$	41.25 / Cord	
White Pine	40	Cords	\$	18.05 / Cord	

* The total volume is statistically estimated within plus (+) or minus (-) 12.32 percent. There are an estimated 1,644 cords on this timber sale, plus or minus 203 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 \$2,041.98 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	34.3%
02	33.8%
03	31.9%

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

5. Operations on the contract issued will terminate on 06/30/2026.

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	
129,855	1,644	12.32%	1,441	1,846	

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
12	48,356	612	26.34%	451	773
28	41,152	521	15.47%	440	602
35	40,347	511	19.89%	409	612
TOTAL:	129,855	1,644		1,300	1,987

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
12	31.5	1	31.5
28	20.4	2	20.4
35	27.7	3	27.7
TOTAL:	79.6		79.6

DESCRIPTION OF TIMBER BY PU (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Black/Red (Hybrid	Sawtimber	23.0	MBF	31.5	\$13,990.10
	Jack Pine		16.4	MBF		
	B. T. Aspen	Pulpwood	49	Cords		
	B. T. Aspen		49	Cords		
	Jack Pine		220	Cords		
	Mixed Hardwood		4	Cords		
	Black Cherry		2	Cords		
	Red Maple		2	Cords		
	Mixed Oak		142	Cords		
	White Oak	Sawtimber	5.8	MBF		
	/Red (Hybrid) Oak	Pulpwood	109	Cords		
	White Oak		21	Cords		
	Red Pine		57	Cords		
	Red Pine	Sawtimber	9.1	MBF		
	Red Pine	Pulpwood	39	Cords		
	White Pine		40	Cords		
	White Pine	Sawtimber	1.7	MBF		
	White Pine	Pulpwood	37	Cords		
2	Black/Red (Hybrid	Sawtimber	4.3	MBF	20.4	\$13,803.05
	Jack Pine	Pulpwood	325	Cords		
	Mixed Oak		19	Cords		
	/Red (Hybrid) Oak		19	Cords		
	Red Pine		180	Cords		
	Red Pine		180	Cords		
3	Black/Red (Hybrid	Sawtimber	8.6	MBF	27.7	\$13,046.50
	B. T. Aspen	Pulpwood	15	Cords		
	B. T. Aspen	Sawtimber	0.7	MBF		
	B. T. Aspen	Pulpwood	14	Cords		
	Jack Pine		337	Cords		
	Mixed Oak		20	Cords		
	White Oak	Sawtimber	0.9	MBF		
	/Red (Hybrid) Oak	Pulpwood	14	Cords		
	White Oak		4	Cords		
	Red Pine		136	Cords		
	Red Pine		136	Cords		
		TOTAL:	52.3	MBF		
		TOTAL:	1,544	Cords		

Sale Specific Conditions & Requirements

Sale Name: Butterfly Lane Jack Pine

Sale Number: 72-621-23 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 blue and red paint, along with a road. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint, with the exception of the partial western boundary of Payment Unit 2 and the partial eastern boundary of Payment Unit 3, both of which are unpainted and represented by Hi Banks Road (see Timber Sale Map). Retention patches are marked with green paint; no harvesting activities may occur within these areas. The painted boundary line trees are not Included Timber and are to be protected, except for blue marked trees along Hi Banks Road.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (6/14)

Within Payment Unit(s) 1-3, cut all trees that are two (2) inches or more at DBH, except do not cut any pine that are twenty-six inches (26) or more at DBH. Special protection trees identified in accordance with condition 3.4.2, within clearcutting unit boundaries, are not Included Timber and are to be protected.

2.1.16 - Timber along county or forest roads (6/14)

Cut and remove all blue marked trees along Hi Banks Road.

2.2 - Utilization

2.2.2 - Chipping required (2/18)

Payment Units 1-3 must be chip harvested to facilitate subsequent planting operations and to meet National Guard requirements. However, the chipping requirement could be waived with military approval, if chip markets are depressed. 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. The requirement to retain approximately 1/6 to 1/3 of treetops and limbs less than four inches in diameter does not apply (G. C. & R. 2.2). This is because this is non-certified military land.

2.2.3 - Stump heights (4/07)

Stump heights within Payment Unit(s) 1-3 shall not exceed 6 inches for all trees. This is in order to facilitate military requirements and 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

3.4.2 - 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 pine that are over twenty-six inches (26) at DBH If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay \$500 per tree 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

4.1.6 - 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 chipped, utilized or otherwise removed from the sale. 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. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. These stumps must be scattered along the road system to prohibit vehicular movement. Contact the Sale Administrator for specific details of design and placement.

4.1.11 - Permits (2/12)

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

5 - Operations

5.1 - Notification

5.1.5 - National Guard notification (2/15)

This sale is upon lands utilized for training by the Michigan National Guard - Camp Grayling. A minimum of five (5) business days prior to opening this sale, the producer must request that the sale administrator contact the military for information regarding training plans that may impact sale 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

5.2.3.5 - Oak wilt restriction (1/18)

Within Payment Units 1-3, unless changed by written agreement, 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. Operations may be allowed if specific steps are taken to prevent damaging uncut oak during the high risk period. Those steps may include completing all road brushing before April 15th and clearing a tree-length buffer along uncut oak cover before April 15th. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

5.2.3.7 - National Guard training restriction (1/09)

Operations on this contract may not be allowed during National Guard training operations. Typically, the restricted period is from May 1 to October 31. The contractor must check with the Unit Manager who will coordinate the cutting schedule with the Military.

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.

5.8 - Protection of Endangered Species

5.8.1 - Kirtland's warbler (1) (10/12)

This sale is adjacent to a young jack pine stand which may be used by the endangered Kirtland's Warbler. The Department reserves the right to temporarily restrict all harvesting operations in a buffer zone of up to 500 feet if it is determined that Warbler territory has been established in the adjacent stand. The restricted period, if put into effect, would apply from May 1 to August 15.

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 Hi Banks 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. The Purchaser will provide these signs.

7 - Other Conditions

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 are managed for military training.

