

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN <u>TIMBER SALE PROSPECTUS #7415</u>

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on April 23, 2024. LOCATION: GAYLORD MGMT UNIT, 1732 WEST M 32, GAYLORD, MI 49735.

CONTACT NAME: Lucas Merrick PHONE NUMBER: (989) 732-3541

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

South Mancelona Mix (52-002-23) / T29N, R05W, SEC. 33, NESE. T29N, R05W, SEC. 34, S1/2NW,SW. Antrim County, Advertised Price \$15,782.15, 83.9 Acres, Aspen, Red Pine. SALE NOTE: Flat Terrain, good access, no time restrictions

TIMBER SALE INFORMATION

South Mancelona Mix (52-002-23) T29N, R05W, SEC. 33; T29N, R05W, SEC. 34. Antrim County (Advertised Price \$15,782.15)

SALE NOTE: Flat Terrain, good access, no time restrictions

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	ESTIMATED UNITS*		ADVERTISED PRICE	
Sawtimber					
Red Pine	122.7	MBF	\$	80.00 / MBF	
Pulpwood					
Black Cherry	24	Cords	\$	14.20 / Cord	
Jack Pine	66	Cords	\$	10.80 / Cord	
Quaking Aspen	131	Cords	\$	11.55 / Cord	
Red Pine	109	Cords	\$	29.50 / Cord	
White Pine	8	Cords	\$	23.00 / Cord	

* The total volume is statistically estimated within plus (+) or minus (-) 22.30 percent. There are an estimated 624 cords on this timber sale, plus or minus 139 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 \$789.11 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	88.5%
02	11.5%

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	
49,322	624	22.30%	485	764	

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
106	32,763	415	21.94%	324	506
111	3,018	38	49.71%	19	57
121	13,542	171	37.01%	108	235
TOTAL:	49,322	624		451	798

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
106	30.8	1	30.8
111	19.1	1	18.5
		2	0.6
121	34.0	1	2.9
		2	31.1
TOTAL:	83.9		83.9

DESCRIPTION OF TIMBER BY PU (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Pine	Sawtimber	122.7	MBF	52.2	\$13,968.60
	Black Cherry	Pulpwood	13	Cords		
	Jack Pine		12	Cords		
	Quaking Aspen		38	Cords		
	Red Pine		109	Cords		
	White Pine		8	Cords		
2	Black Cherry	Pulpwood	11	Cords	31.7	\$1,813.55
	Jack Pine		54	Cords		
	Quaking Aspen		93	Cords		
		TOTAL:	122.7	MBF		
		TOTAL:	338	Cords		

Sale Specific Conditions & Requirements

Sale Name: South Mancelona Mix

Sale Number: 52-002-23 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 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. 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, cut all trees that are two (2) inches or more at DBH. Within Payment Unit(s) 2, cut all trees that are two (2) inches or more at DBH, except do not cut red pine or white pine.

2.2 - Utilization

2.2.2 - Chipping required (2/18)

Payment Unit 1 must be chip harvested to facilitate subsequent planting operations. Products may be produced as roundwood and forwarded to decking areas in final product length, but the tops must be left intact and skidded to the landing for chipping in order to minimize the amount of residual slash. 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. If market conditions limit the practicality of chipping, the producer may skid all remaining topwood out of these payment units and scatter in locations approved by the sale administrator. If the deadline is not met, damages will be collected determined by the cost to complete this work. 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 in order to facilitate planting operations.

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.

Within the Payment Unit 2, if more than 33% of the conifer seedlings and saplings (1/4" to 4.5" DBH) within a specified portion of the sale area are damaged, liquidated damages will be assessed at \$250 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.

3.6 - Payment Unit Cutting Schedule

3.6.8 - Operating period (5/16)

Once cutting begins, operations must continue until all Payment Units are completed.

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.

4.1.12 - 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

4.2.4 - Grading (10/16)

For completion of the sale, state forest roads must be graded. In general, this will require a road grader or bull dozer 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.

4.2.5 - 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

5.1.3 - Well heads and natural gas pipelines (11/15)

The Purchaser is responsible for contacting the gas or pipeline company and/or MISS DIG 30 days prior to operating equipment in the vicinity of well heads or natural gas pipelines.

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

5.2.3.6 - Bark beetle restriction (12/08)

In the event drought creates a high risk of pine bark beetle infestation, pine is not to be cut during the period March 1 through July 1, unless all portions of trees greater than two inches in diameter are removed from the sale area, reduced to chips, or treated to the satisfaction of the Unit Manager or his/her representative, within fifteen days of being severed from the stump. Pine log decks, pulpwood piles and treetops that are piled for chipping in the fall or winter within a 1/4 mile of susceptible sites must be removed before March 15. Residual slash must not be placed in piles or rows and must be spread over the site for quick drying. The Department of Natural Resources will exercise this specification if the risk of damage warrants.

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.

5.4 - 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.

5.8 - 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 state forest roads 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

7.3 - Contract Modifications

7.3.3 - Modification for reforestation (8/05)

When contractual work of Purchaser has been accepted for any Payment Unit identified on Sale Area Map, Payment Unit will be eliminated from the Sale Area on written notice so that reforestation operations can begin.

