

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN <u>TIMBER SALE PROSPECTUS #7622</u>

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on April 28, 2025. LOCATION: GRAYLING MGMT UNIT, 1955 HARTWICK PINES ROAD, GRAYLING, MI 49738.

CONTACT NAME: Scott McClarren PHONE NUMBER: (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>Big Creek Blues</u> (72-009-24) / T28N, R01E, SEC. 26, S1/2NW,N1/2SW,SWSW. T28N, R01E, SEC. 27, SE.

T28N, R01E, SEC. 34, NE.

Oscoda County, Advertised Price \$123,882.20, 158.0 Acres, Aspen, Red Pine, Spruce/Fir/Tamarack, White Pine.

SALE NOTE: Access into Sale Area is from Farrington Road which is a dirt/gravel road that is maintained. Farrington Road crosses East Branch Big Creek and has a culvert. This is an area of concern for erosion and damage to improvements. This sale has low ground in each of the Payment Units. Minimizing rutting is a priority. Accessing Payment Unit 3 will be done through existing but closed road that is accessed through Payment Unit 2 from the North Side of Farrington Road. There is a private line along the east side of the access road to Payment Units 1 and 2 South of Farrington Road. There is also Private line on the Northeast side of Payment Unit 3 which is a powerline. All payment units have diameter limit on Red and White pine. See specifications for those diameter limits. Most of these trees have been marked with green paint for reference.

TIMBER SALE INFORMATION

Big Creek Blues (72-009-24) T28N, R01E, SEC. 26; T28N, R01E, SEC. 27; T28N, R01E, SEC. 34. Oscoda County (Advertised Price \$123,882.20)

SALE NOTE: Access into Sale Area is from Farrington Road which is a dirt/gravel road that is maintained. Farrington Road crosses East Branch Big Creek and has a culvert. This is an area of concern for erosion and damage to improvements. This sale has low ground in each of the Payment Units. Minimizing rutting is a priority. Accessing Payment Unit 3 will be done through existing but closed road that is accessed through Payment Unit 2 from the North Side of Farrington Road. There is a private line along the east side of the access road to Payment Units 1 and 2 South of Farrington Road. There is also Private line on the Northeast side of Payment Unit 3 which is a powerline. All payment units have diameter limit on Red and White pine. See specifications for those diameter limits. Most of these trees have been marked with green paint for reference.

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				
Northern Pin Oak	5.6	MBF	\$	122.00 / MBF
Red Maple	11.1	MBF	\$	74.00 / MBF
White Pine	142.7	MBF	\$	53.00 / MBF
Pulpwood				
Balsam Fir	170	Cords	\$	18.80 / Cord
Jack Pine	52	Cords	\$	20.20 / Cord
Mixed Aspen	1,175	Cords	\$	21.45 / Cord
Mixed Hardwood	296	Cords	\$	28.60 / Cord
Mixed Spruce	40	Cords	\$	19.95 / Cord
Northern Pin Oak	11	Cords	\$	21.95 / Cord
Paper Birch	9	Cords	\$	23.00 / Cord
Red Pine	1,766	Cords	\$	38.60 / Cord
White Pine	409	Cords	\$	18.30 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 13.10 percent. There are an estimated 4,299 cords on this timber sale, plus or minus 563 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 \$6,194.11 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

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VAL
01	13.5%
02	33.0%
03	15.2%
04	32.1%
05	6.2%

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.

VOL	UME	E STATISTICAL RANGE IN		ANGE IN CORDS
TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM MAXIMUM	
339,619	4,299	13.10%	3,736	4,862

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
15	11,154	141	53.28%	66	216
28	55,798	706	32.59%	476	936
31	52,877	669	40.94%	395	943
37	89,099	1,128	18.62%	918	1,338
41	13,021	165	51.31%	80	249
53	58,163	736	35.54%	475	998
85	59,506	753	37.54%	470	1,036
TOTAL:	339,619	4,299		2,881	5,717

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
28	19.9	3	19.9
31	20.9	4	20.9
37	63.6	2	63.6
41	7.4	5	7.4
53	29.4	1	29.4
85	14.0	4	14.0
15	2.8	5	2.8
TOTAL:	158.0		158.0

DESCRIPTION OF TIMBER BY PU (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Balsam Fir	Pulpwood	74	Cords	29.4	\$16,783.50
	Jack Pine		20	Cords		
	Mixed Aspen		445	Cords		
	B. T. Aspen		93	Cords		
	Quaking Aspen		352	Cords		
	Mixed Hardwood		177	Cords		
	Red Maple		177	Cords		
	Mixed Spruce		9	Cords		
	White Spruce		9	Cords		
	White Pine		11	Cords		
2	Northern Pin Oak	Sawtimber	5.6	MBF	63.6	\$40,871.55
2		Sawtimber			03.0	φ40,071.00
	Red Maple		0.8	MBF		
	White Pine	Deduceral	14.9	MBF		
	Balsam Fir	Pulpwood	2	Cords		
	Jack Pine		27	Cords		
	Mixed Aspen		33	Cords		
	Quaking Aspen		33	Cords		
	Mixed Hardwood		13	Cords		
	Black Cherry		1	Cords		
	Red Maple		12	Cords		
	Northern Pin Oak		4	Cords		
	Red Pine		952	Cords		
	White Pine		46	Cords		
3	Red Maple	Sawtimber	5.7	MBF	19.9	\$18,857.65
	White Pine		25.2	MBF		
	Balsam Fir	Pulpwood	43	Cords		
	Jack Pine		5	Cords		
	Mixed Aspen		281	Cords		
	Quaking Aspen		281	Cords		
	Mixed Hardwood		5	Cords		
	Red Maple		5	Cords		
	Mixed Spruce		26	Cords		
	Black Spruce		26	Cords		
	Paper Birch		5	Cords		
	Red Pine		219	Cords		
	White Pine		51	Cords		
4		Soutimbor	4.6		34.9	\$39,746.10
4	Red Maple	Sawtimber		MBF	54.9	აა 9,740.10
	White Pine	Dulmura a d	102.6	MBF		
	Balsam Fir	Pulpwood	40	Cords		
	Mixed Aspen		325	Cords		
	Quaking Aspen		325	Cords		
	Mixed Hardwood		92	Cords		
	Red Maple		92	Cords		
	Mixed Spruce		5	Cords		
	White Spruce		5	Cords		
	Northern Pin Oak		2	Cords		
	Red Pine		517	Cords		
	White Pine		192	Cords		
5	Balsam Fir	Pulpwood	11	Cords	10.2	\$7,623.40
	Mixed Aspen		91	Cords		
	Quaking Aspen		91	Cords		
	Mixed Hardwood		9	Cords		
	Red Maple		9	Cords		
	Northern Pin Oak		5	Cords		
	Paper Birch		4	Cords		
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DESCRIPTION OF TIMBER BY PU (PU), CON'T

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
5 con't	Red Pine	Pulpwood	78	Cords		
	White Pine		109	Cords		
		TOTAL:	159.4	MBF		
		TOTAL:	3,928	Cords		

Sale Specific Conditions & Requirements

Sale Name: Big Creek Blues

Sale Number: 72-009-24 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, red and yellow paint, along with unpainted boundaries. Exterior sale boundary lines against private property are marked with blue 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. The painted boundary line trees are not Included Timber and are to be protected unless marked with orange paint except cut red painted trees bordering the immature red pine plantation on the east edge of Payment Unit 4 and the west edge of Payment Unit 5. 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 and 3-5, cut all trees that are two (2) inches or more at DBH. In addition, within Payment Unit 5, all boundary trees along the western boundary are designated for cutting, regardless of merchantability.

Within Payment Unit 2, cut all trees that are one (1) inch or more at DBH.

Within Payment Units 1-3, do not cut any red or white pine that are 20 inches or more at DBH (please note most of these have been marked with green paint for reference).

Within Payment Units 4-5, do not cut any red or white pine that are 24 inches or more at DBH (please note most of these have been marked with green paint for reference).

Within Payment Units 1 and 4, do not cut any oak.

Within Payment Units 1 and 3-5, protect all sub-merchantable fir, spruce, and white pine (see sale condition 3.4.1).

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

Special protection areas identified in accordance with condition 3.4.3, within clearcutting unit boundaries, are not Included Timber and are to be protected.

2.1.9 - Harvest Exception (12/08)

Do not cut any cedar or hemlock trees other than those that are necessary to remove in order to operate within the sale area. Every effort must be made to preserve the existing cedar and hemlock and to leave an intact stand upon sale completion. All cut cedar and hemlock shall be piled separately by products and scaled in the woods unless other scaling arrangements are agreed to by the Unit Manager or his/her representative. Stumpage price for cedar and hemlock shall be \$50.00 per cord for posts and pulpwood, and \$100.00 per cord for bolts and sawlogs.

2.2 - Utilization

2.2.2 - Chipping required (2/18)

Payment Unit 2 must be chip harvested to facilitate subsequent planting operations. The Purchaser has the option to produce sawlogs or pulpwood bolts, but the remaining portion of the trees must be chipped and hauled. 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. Do not chip 1/6 to 1/3 of the slash from harvested trees (tree tops and limbs less than four inches in diameter.

2.2.3 - Stump heights (4/07)

Stump heights within Payment Unit 2 shall not exceed 6 inches for all trees. This is in order to facilitate planting operations.

2.2.9 - No Chipping Permitted (12/08)

Within Payment Unit(s) 1 and 3-5, no chipping is permitted.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing Payment Units (7/14)

Payment Unit(s) 2 and 4 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

3.4.1 - 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 tree seedlings and saplings less than 2 inches at DBH.

Within the Payment Units 1 and 3-5, if more than 50% of the fir, spruce and white pine seedlings or saplings less than 4.5 inches 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. Operable paths will need to be cut through dense regen; If those paths are cut cleanly, they will not be considered damaged areas.

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 cedar or hemlock, any trees marked with green paint, red pine and white pine that are greater than 20 inches at DBH in Payment Units 1 and 3, and red pine and white pine that are greater than 24 inches at DBH in Payment Units 2, 4 and 5. If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay \$200 as fixed, agreed and liquidated damages for each special protection tree cut or damaged. Such payment does not constitute ownership of the undesignated timber.

3.4.3 - Special Protection Areas (8/11)

The Purchaser shall protect special protection areas from damage by the Purchaser's operations. Special protection areas are marked with a red boundary line. The Purchaser shall not cut live or dead trees within special protection areas. If the Purchaser's operations have cut or damaged special protection areas through carelessness, the Purchaser shall pay \$500 as fixed, agreed and liquidated damages for each acre or part thereof cut or damaged. Such payment does not constitute ownership of the undesignated timber.

4 - Transportation

4.1 - Construction

4.1.6 - Road Construction (4/24)

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 scattered and 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.

4.1.7 - 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. 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. 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.

4.1.11 - Permits (2/12)

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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale Conference (10/16)

A pre-sale conference on site between the Purchaser and Sale Administrator is required prior to beginning any operations to determine landing and road locations. The Unit Manager or his/her representative must be contacted at least 10 days in advance to schedule the conference.

5.1.3 - Well Heads and Natural Gas Pipelines (11/15)

The Purchaser is responsible for contacting the gas or pipeline company 30 days prior to operating equipment in the vicinity of well heads or natural gas pipelines. Written permission is required before harvest operations begin and must be submitted to the Unit Manager.

5.1.4 - Post-Sale Conference (10/16)

A post-sale conference on site between the Purchaser and sale administrator is required 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.

5.1.6 - Utility R.O.W. (4/19)

It is the responsibility of the Purchaser to obtain permission from the utility company to utilize the power line R.O.W. for operations.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.13 - Dispose of Slash as Directed (12/05)Slash is to be disposed of as directed by the Sale Administrator.

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

5.2.4.4 - Dead and Down Creation, Grouse (6/18)

To encourage grouse and other wildlife, in Payment Unit(s) 1 and 3-5, leave one, 12-inch diameter or larger log-length (8 foot minimum) piece on the ground for every 2 acres or one 12-inch or larger diameter (or largest diameter trees within stand) whole tree on the ground for every 4 acres, preferably a hardwood species such as oak or maple or if no hardwoods are present, a pine species (white or red).

5.2.4.6 - Dead and Down Creation, Other (9/09)

To create eastern massasauga rattlesnake habitat, within Payment Units 1 and 5, one brush pile per 3 acres shall be constructed of 3-6 tops.

5.2.29 - Shrub Protection (1/20)

Reasonable care should be taken to avoid cutting or damaging hawthorn, witch-hazel, dogwood or juneberry. These woody-shrub plants are highly beneficial to various wildlife species.

5.2.31 - Landing Locations (9/13)

In general, landings are limited to a turnaround which will accommodate a truck with a 50-foot trailer.

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.

5.4.6 - Wet Area Protection (5/10)

No harvesting operations, including skidding and felling, are to take place within the vernal pond areas or dense patches of lowland shrub cover. Tag alder occupies the timber sale's most saturated ground where risk of rutting is the greatest. 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 100 feet of the pond, equipment should only be used when the soil is in a dry or frozen condition. Care must be taken by the Purchaser to identify and avoid operating in these areas of the timber sale.

5.8 - Protection of Endangered Species

5.8.3 - Red Shoulder Hawk or Goshawk (1) (2/16)

In the event that an active red shoulder hawk or goshawk nest is found, the contract may be amended to protect the nest site until the nest is determined to be inactive. The value of the trees in this excluded area will be refunded or credited to the Purchaser. The nest will be buffered with a five-chain radius (eight acre) protection area, centered on the nest tree, in which there will be no cutting or new roads constructed. Avoid human disturbance, including loading and skidding, in the protection area.

An additional zone of five chains (ten chains centered on the active nest tree) will be established in which there is no management activity from March 15 to July 15. Limit biomass harvesting and chipping operations within this ten-chain zone, retain the maximum one-third of residues per the Woody Biomass Harvesting Guidelines (Michigan DNR 2010). Nests determined to be inactive will be protected with a one-chain no-harvest buffer.

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 Farrington 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.

