

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN <u>TIMBER SALE PROSPECTUS #7625</u>

<u>SCHEDULED SALE DATE AND TIME:</u> 9:00 a.m. (local time) on May 12, 2025. <u>LOCATION:</u> GRAYLING MGMT UNIT, 1955 HARTWICK PINES ROAD, GRAYLING, MI 49738.

<u>CONTACT NAME:</u> Scott McClarren <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>GNA2 Stitt</u> (72-802-25) / T26N, R02E, SEC. 22, NW,NE,N1/2SW,SESW,SE. T26N, R02E, SEC. 26, S1/2NW,SWNE,N1/2SW,SESW. T26N, R02E, SEC. 27, E1/2NW,N1/2NE,NWSE,S1/2SE. Oscoda County, Advertised Price \$417,149.75, 339.2 Acres, Aspen, Hardwood.

SALE NOTE: 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. Please call Garret Price with any questions 989-590-8541.

Consumers Energy will require a permit to access Payment Units 5 and 6. Alternative access may be obtained through neighboring private ownerships. Sawtimber ranges from average to excellent quality. Entire sale is oak wilt restricted. Forest Road 4347 is the sole access to a private residence, and must remain in 2 wheel drive condition during operations. be advised Payment Units 9-12 have areas of declining oak with some small dead pockets. Dead oak is to be cut and removed. Be advised of old fencing in PU's 1-4.

A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions. Access may be through private or other public land.

TIMBER SALE INFORMATION

GNA2 Stitt (72-802-25)

T26N, R02E, SEC. 22; T26N, R02E, SEC. 26; T26N, R02E, SEC. 27. Oscoda County (Advertised Price \$417,149.75)

SALE NOTE: 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. Please call Garret Price with any questions 989-590-8541.

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A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions. Access may be through private or 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 | ESTIMATE | D UNITS* | <u>adve</u> | ERTISED PRICE |
|------------------------|----------|----------|-------------|---------------|
| Sawtimber | | | | |
| Basswood | 190.9 | MBF | \$ | 74.00 / MBF |
| Beech | 57.2 | MBF | \$ | 128.00 / MBF |
| Black/Red (Hybrid) Oak | 601.2 | MBF | \$ | 140.00 / MBF |
| Red Maple | 197.0 | MBF | \$ | 81.00 / MBF |
| Red Oak | 416.7 | MBF | \$ | 123.00 / MBF |
| Sugar Maple | 300.4 | MBF | \$ | 246.00 / MBF |
| White Oak | 9.5 | MBF | \$ | 126.00 / MBF |
| Pulpwood | | | | |
| B. T. Aspen | 916 | Cords | \$ | 24.95 / Cord |
| Basswood | 110 | Cords | \$ | 12.40 / Cord |
| Misc. Species 3 | 111 | Cords | \$ | 5.00 / Cord |
| Mixed Hardwood | 2,855 | Cords | \$ | 32.55 / Cord |
| Mixed Oak | 1,982 | Cords | \$ | 24.60 / Cord |
| Paper Birch | 104 | Cords | \$ | 26.60 / Cord |
| | | | | |

* The total volume is statistically estimated within plus (+) or minus (-) 10.14 percent. There are an estimated 10,233 cords on this timber sale, plus or minus 1,038 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 \$20,857.49 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

| | PERCENT OF TOTAL SALE VALU |
|----|----------------------------|
| 01 | 9.3% |
| 02 | 11.0% |
| 03 | 8.9% |
| 04 | 5.3% |
| 05 | 9.0% |
| 06 | 9.6% |
| 07 | 2.0% |
| 08 | 5.5% |
| 09 | 5.0% |
| 10 | 4.7% |
| 11 | 23.1% |
| 12 | 6.6% |
| | |

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

5. Operations on the contract issued will terminate on 06/30/2029.

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 | ME | | STATISTICAL RA | ANGE IN CORDS |
|------------------|-------------|---------------|-----------------|---------------|
| TOTAL CUBIC FEET | TOTAL CORDS | PERCENT ERROR | MINIMUM MAXIMUM | |
| 808,424 | 10,233 | 10.14% | 9,195 | 11,271 |

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 II | N CORDS |
|--------|------------------|-------------|---------------|----------|---------|
| VDU | TOTAL CUBIC FEET | TOTAL CORDS | PERCENT ERROR | MINIMUM | MAXIMUM |
| 17 | 147,076 | 1,862 | 23.02% | 1,433 | 2,290 |
| 19 | 92,686 | 1,173 | 32.11% | 797 | 1,550 |
| 23 | 339,451 | 4,297 | 14.59% | 3,670 | 4,924 |
| 47 | 229,211 | 2,901 | 21.18% | 2,287 | 3,516 |
| TOTAL: | 808,424 | 10,233 | | 8,186 | 12,280 |

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 |
|--------|-----------|----|----------|
| 17 | 63.3 | 5 | 30.6 |
| 17 | 63.3 | 6 | 32.7 |
| 19 | 39.0 | 7 | 10.4 |
| 19 | 39.0 | 8 | 28.6 |
| 23 | 153.7 | 9 | 19.3 |
| 23 | 153.7 | 10 | 18.4 |
| 23 | 153.7 | 11 | 90.5 |
| 23 | 153.7 | 12 | 25.5 |
| 47 | 83.2 | 1 | 22.4 |
| 47 | 83.2 | 2 | 26.5 |
| 47 | 83.2 | 3 | 21.4 |
| 47 | 83.2 | 4 | 12.9 |
| TOTAL: | 1,152.2 | | 339.2 |

DESCRIPTION OF TIMBER BY PU (PU)

| PU | MARKET GROUP | PRODUCT | QUANTITY | UNIT | ACRES | |
|----|-------------------|---------------|----------|-------|-------|-----------------|
| | | | | | | ADVERTISE PRICE |
| 1 | Basswood | Sawtimber | 45.6 | MBF | 22.4 | \$38,673.15 |
| | Beech | | 2.5 | MBF | | |
| | Black/Red (Hybrid | | 3.0 | MBF | | |
| | Red Maple | | 14.5 | MBF | | |
| | Red Oak | | 56.2 | MBF | | |
| | Sugar Maple | | 65.9 | MBF | | |
| | Basswood | Pulpwood | 22 | Cords | | |
| | Mixed Hardwood | | 263 | Cords | | |
| | Beech | | 9 | Cords | | |
| | Ironwood | | 6 | Cords | | |
| | Red Maple | | 65 | Cords | | |
| | Sugar Maple | | 183 | Cords | | |
| | Mixed Oak | | 58 | Cords | | |
| | /Red (Hybrid) Oak | | 12 | Cords | | |
| | Red Oak | | 46 | Cords | | |
| 2 | Basswood | Sawtimber | 53.9 | MBF | 26.5 | \$45,697.90 |
| | Beech | | 2.9 | MBF | | , ., |
| | Black/Red (Hybrid | | 3.6 | MBF | | |
| | Red Maple | | 17.2 | MBF | | |
| | Red Oak | | 66.4 | MBF | | |
| | Sugar Maple | | 78.0 | MBF | | |
| | Basswood | Pulpwood | 26 | Cords | | |
| | Mixed Hardwood | Fulpwood | 310 | Cords | | |
| | | | | | | |
| | Beech | | 11 | Cords | | |
| | Ironwood | | 7 | Cords | | |
| | Red Maple | | 76 | Cords | | |
| | Sugar Maple | | 216 | Cords | | |
| | Mixed Oak | | 68 | Cords | | |
| | /Red (Hybrid) Oak | | 14 | Cords | | |
| | Red Oak | A 11 1 | 54 | Cords | | |
| 3 | Basswood | Sawtimber | 43.6 | MBF | 21.4 | \$36,927.45 |
| | Beech | | 2.4 | MBF | | |
| | Black/Red (Hybrid | | 2.9 | MBF | | |
| | Red Maple | | 13.9 | MBF | | |
| | Red Oak | | 53.7 | MBF | | |
| | Sugar Maple | | 62.9 | MBF | | |
| | Basswood | Pulpwood | 21 | Cords | | |
| | Mixed Hardwood | | 251 | Cords | | |
| | Beech | | 9 | Cords | | |
| | Ironwood | | 6 | Cords | | |
| | Red Maple | | 62 | Cords | | |
| | Sugar Maple | | 174 | Cords | | |
| | Mixed Oak | | 55 | Cords | | |
| | /Red (Hybrid) Oak | | 11 | Cords | | |
| | Red Oak | | 44 | Cords | | |
| 4 | Basswood | Sawtimber | 26.3 | MBF | 12.9 | \$22,209.60 |
| | Beech | | 1.4 | MBF | | |
| | Black/Red (Hybrid | | 1.8 | MBF | | |
| | Red Maple | | 8.4 | MBF | | |
| | Red Oak | | 32.3 | MBF | | |
| | Sugar Maple | | 37.9 | MBF | | |
| | Basswood | Pulpwood | 13 | Cords | | |
| | Mixed Hardwood | | 150 | Cords | | |
| | | | 5 | Cords | | |
| | | | | | | |
| | Beech Ironwood | | 3 | Cords | | |

DESCRIPTION OF TIMBER BY PU (PU), CON'T

| | | ····· | - | | | |
|---------|-------------------|-----------|----------|-------|-------|-----------------|
| PU | MARKET GROUP | PRODUCT | QUANTITY | UNIT | ACRES | ADVERTISE PRICE |
| 4 con't | Red Maple | Pulpwood | 37 | Cords | | |
| | Sugar Maple | | 105 | Cords | | |
| | Mixed Oak | | 33 | Cords | | |
| | /Red (Hybrid) Oak | | 7 | Cords | | |
| | Red Oak | | 26 | Cords | | |
| 5 | Basswood | Sawtimber | 10.4 | MBF | 30.6 | \$37,544.35 |
| | Beech | | 23.2 | MBF | | |
| | Black/Red (Hybrid | | 2.0 | MBF | | |
| | Red Maple | | 36.6 | MBF | | |
| | Red Oak | | 76.7 | MBF | | |
| | Sugar Maple | | 26.9 | MBF | | |
| | Basswood | Pulpwood | 14 | Cords | | |
| | Mixed Hardwood | | 327 | Cords | | |
| | Beech | | 60 | Cords | | |
| | Red Maple | | 107 | Cords | | |
| | Sugar Maple | | 160 | Cords | | |
| | Mixed Oak | | 96 | Cords | | |
| | /Red (Hybrid) Oak | | 10 | Cords | | |
| | Red Oak | | 86 | Cords | | |
| | Paper Birch | | 50 | Cords | | |
| | Paper Birch | Sawtimber | 3.2 | MBF | | |
| | Paper Birch | Pulpwood | 44 | Cords | | |
| 6 | Basswood | Sawtimber | 11.1 | MBF | 32.7 | \$40,106.70 |
| | Beech | | 24.8 | MBF | | |
| | Black/Red (Hybrid | | 2.1 | MBF | | |
| | Red Maple | | 39.0 | MBF | | |
| | Red Oak | | 82.0 | MBF | | |
| | Sugar Maple | | 28.8 | MBF | | |
| | Basswood | Pulpwood | 14 | Cords | | |
| | Mixed Hardwood | | 350 | Cords | | |
| | Beech | | 64 | Cords | | |
| | Red Maple | | 114 | Cords | | |
| | Sugar Maple | | 172 | Cords | | |
| | Mixed Oak | | 101 | Cords | | |
| | /Red (Hybrid) Oak | | 11 | Cords | | |
| | Red Oak | | 90 | Cords | | |
| | Paper Birch | | 54 | Cords | | |
| | Paper Birch | Sawtimber | 3.5 | MBF | | |
| | Paper Birch | Pulpwood | 47 | Cords | | |
| 7 | Red Maple | Sawtimber | 6.5 | MBF | 10.4 | \$8,339.45 |
| | B. T. Aspen | Pulpwood | 244 | Cords | | |
| | Mixed Hardwood | | 53 | Cords | | |
| | Red Maple | | 53 | Cords | | |
| 8 | Red Maple | Sawtimber | 17.7 | MBF | 28.6 | \$22,984.95 |
| | B. T. Aspen | Pulpwood | 672 | Cords | | |
| | Mixed Hardwood | | 147 | Cords | | |
| | Red Maple | | 147 | Cords | | |
| 9 | Black/Red (Hybrid | Sawtimber | 73.6 | MBF | 19.3 | \$20,697.30 |
| | Red Maple | | 5.4 | MBF | | |
| | Red Oak | | 6.2 | MBF | | |
| | White Oak | | 1.2 | MBF | | |
| | Misc. Species 3 | Pulpwood | 14 | Cords | | |
| | Mixed Hardwood | | 126 | Cords | | |
| | Red Maple | | 126 | Cords | | |
| | Mixed Oak | | 198 | Cords | 1 | |

DESCRIPTION OF TIMBER BY PU (PU), CON'T

| PU | MARKET GROUP | PRODUCT | QUANTITY | UNIT | ACRES | ADVERTISE PRICE |
|---------|-------------------|-----------|----------|-------|-------|-----------------|
| 9 con't | /Red (Hybrid) Oak | Pulpwood | 190 | Cords | | |
| | Red Oak | | 6 | Cords | | |
| | White Oak | | 2 | Cords | | |
| 10 | Black/Red (Hybrid | Sawtimber | 70.1 | MBF | 18.4 | \$19,719.90 |
| | Red Maple | | 5.2 | MBF | | |
| | Red Oak | | 5.9 | MBF | | |
| | White Oak | | 1.1 | MBF | | |
| | Misc. Species 3 | Pulpwood | 13 | Cords | | |
| | Mixed Hardwood | | 120 | Cords | | |
| | Red Maple | | 120 | Cords | | |
| | Mixed Oak | | 189 | Cords | | |
| | /Red (Hybrid) Oak | | 181 | Cords | | |
| | Red Oak | | 6 | Cords | | |
| | White Oak | | 2 | Cords | | |
| 11 | Black/Red (Hybrid | Sawtimber | 344.9 | MBF | 90.5 | \$96,901.1 |
| | Red Maple | | 25.4 | MBF | | |
| | Red Oak | | 29.1 | MBF | | |
| | White Oak | | 5.6 | MBF | | |
| | Misc. Species 3 | Pulpwood | 66 | Cords | | |
| | Mixed Hardwood | | 591 | Cords | | |
| | Red Maple | | 591 | Cords | | |
| | Mixed Oak | | 923 | Cords | | |
| | /Red (Hybrid) Oak | | 889 | Cords | | |
| | Red Oak | | 27 | Cords | | |
| | White Oak | | 7 | Cords | | |
| 12 | Black/Red (Hybrid | Sawtimber | 97.2 | MBF | 25.5 | \$27,347.8 |
| | Red Maple | | 7.2 | MBF | | |
| | Red Oak | | 8.2 | MBF | | |
| | White Oak | | 1.6 | MBF | | |
| | Misc. Species 3 | Pulpwood | 18 | Cords | | |
| | Mixed Hardwood | | 167 | Cords | | |
| | Red Maple | | 167 | Cords | | |
| | Mixed Oak | | 261 | Cords | | |
| | /Red (Hybrid) Oak | | 251 | Cords | | |
| | Red Oak | | 8 | Cords | | |
| | White Oak | | 2 | Cords | | |
| | | TOTAL: | 1,772.9 | MBF | | |
| | | TOTAL: | 6,078 | Cords | | |

Sale Specific Conditions & Requirements

Sale Name: GNA2 Stitt

Sale Number: 72-802-25 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 or are unmarked and identified by roads. Exterior sale boundary lines against private property are marked with orange paint (in the form of an orange chevron "V") or are unmarked and identified by Mishler Road as shown on the attached maps. Exterior sale boundary lines against state are marked with orange paint (in the form of an orange chevron "V"). Interior Payment Unit boundaries are marked with orange paint chevrons on both sides of trees, or are unmarked and identified by USFS Forest System Roads and Temporary Access Roads as shown on the Timber Sale Map. Painted interior Payment Unit boundary trees have the letters "P" and "U" written on them. Retention patches, and special protection areas are marked with orange paint; no harvesting activities may occur within these areas. The painted boundary line trees are not Included Timber and are to be protected. Orange painted trees designating an interior Payment Unit boundary are not Included Timber and are to be protected.

2 - Timber Specifications

2.1 - Included Timber

2.1.4 - Designated Timber Unit(s) (6/17)

Within Payment Unit(s) 7 and 8, all aspen, beech and red maple trees are designated for cutting regardless of merchantability.

2.1.7 - Leave Tree Marked Unit(s) (6/14)

Within Payment Unit(s) 1-4 and 9-12, cut all trees that are two (2) inches or more at DBH, except do not cut any conifers, ash, elm, aspen, paper birch, or trees marked with orange paint above and below stump height.

Within Payment Units 5 and 6, cut all trees that are two (2) inches or more at DBH, except do not cut any conifers, ash, elm, aspen, or trees marked with orange paint above and below stump height.

Special protection trees identified in accordance 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.

2.1.11 - Description of Timber Note (2/04)Note that Misc. Species 3 is dead oak, which is designated for cutting.

2.2 - Utilization

2.2.6 - Roundwood Operation Required (3/21)

The skidding of whole trees or tree segments with limbs attached is prohibited. All products must be produced as roundwood and forwarded to existing roads or landing areas in final product length. Tops must be left in the woods, preferably loosely piled at the stump. This is for reforestation to help to deter deer browse.

2.2.10 - No Chipping Tops and Limbs (8/16)

Within Payment Unit(s) 1-12, chipping of limbs or tops is not permitted. Limbs and the remaining top must be left on site and scattered. Preferably, limbs and tops will be scattered around cut stumps to help deter deer browse.

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

3.3 - Pre-measured Sales

3.3.4 - Dividing Payment Units (7/14)

Payment Unit(s) 1-12 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 (12/24)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. In addition, care should be taken to avoid damaging red and white pine seedlings and saplings.

Within the Sale Area, if more than 20% of red and 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 \$250.00 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 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 or at a rate of \$300.00 per sawtimber tree and \$50.00 per pole sized tree, whichever is greater.

Note: The majority of the sale will have more than adequate room for operability. It is the Purchaser's responsibility to contact and meet with the Sale Administrator before working in areas where undesignated timber will be damaged, or needs removed for operability so that documentation and additional volume can be accounted for (see spec 4.1.4). The DNR is aware there are areas of denser conifer and aspen where operability and felling will require some removals of undesignated species. This must be discussed with and approved by the Sale Administrator prior to working in these areas.

3.4.2 - Special Protection Trees (1/25)

The Purchaser shall not cut live or dead special protection trees within cutting units or clearings. Special protection trees are any red or white pine 20 inches or greater; and all elm, hemlock and yellow birch. If Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay \$300.00 as fixed, agreed and liquidated damages for each special protection tree cut or damaged. Such payment does not constitute ownership of the undesignated timber.

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 an orange boundary line. The area is designated in pink on the Timber Sale Map in between Payment Units 6 and 8. The Purchaser shall not operate equipment in or cut/fell 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 \$1000.00 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

4.1.4 - Timber Removed for Construction (3/23)

Trees cut or damaged in the process of pre-approved road, landing, or skid trail construction will be decked in an area separate from other Designated Timber and not removed until measured by the Sale Administrator. Payment will be made at contract prices or average prices, if not on the contract.

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, 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. 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.

Note: The proposed haul route North of Payment Units 6 and 8 is in the privately owned Consumers Energy Right of Way (CE ROW). In order to haul to the snowmobile trail and out to FR 4445 a license must be obtained from Consumers Energy. In addition, any tree removals needed for access of trees within the ROW must have approval from Consumers Energy. Any roadwork or improvements to the ROW will also need to covered in the license issued by Consumers Energy, and will be subject to approval by METC/ITC as well if proposed work is proximal to their towers.

Consumers Energy should be contacted at least 60 days prior to any planned operations in the ROW.

The Consumers Energy contact for licensing or any questions is Rob Bourgeois, 517-740-8936 robert.bourgeois@cmsenergy.com

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. Clean fill is required.

4.2.3 - Road maintenance (8/13)

The following road maintenance is required on Forest Road 4347: the road must be maintained and graded at all times during operations. This includes cleaning of drainage areas, grading, crowning and filling with gravel, if necessary. Damages will be assessed if grading/repair does not occur. This road is the only access for a landlocked private landowner. There will be no decking along the road. Woods equipment is not to skid or operate in the road. The road must be maintained in 2-wheel drive condition. Hauling must be postponed at the first signs of rutting.

4.2.4 - Grading (10/16)

For completion of the sale, United States Forest Service 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.

4.2.5 - 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

4.4.2 - Alternate route on private property (2/04)

It is the Purchaser's responsibility to obtain access across private land for any routes other than the route shown on the Timber Sale Map.

4.4.5 - Federal Property Access (3/11)

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

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 Payment Units 5 or 6, 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.

5.1.4 - Post-Sale Conference (10/16)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days 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. It is strongly encouraged that an on site meeting is scheduled, prior to equipment leaving any area of the sale, to ensure discussion of all closure work required.

5.1.6 - Utility R.O.W. (1/25)

It is the responsibility of the Purchaser to obtain permission from the utility company to utilize the power line right-of-way (R.O.W.) for operations. Rob Bourgeois, 517-740-8936 robert.bourgeois@cmsenergy.com

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

5.2.3.3 - Bark Slippage Restriction (3/09)

Within Payment Unit(s) 1-12, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

5.2.3.4 - Oak Wilt Restriction, No Exceptions (1/18)

Within Payment Unit(s)1-12, cutting, and skidding within the sale, and brushing of access roads to the sale are not permitted during the period of April 15 to July 15. No exceptions will be granted. This is necessary to reduce the spread of oak wilt.

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. Approximately 30 to 100 feet of road or trail will need extra protection depending on season and precipitation. 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.

5.2.38 - No Decking Against Live Trees (2/04)

Cut products may not be decked against unmarked or designated leave trees.

5.2.41 - Snowmobile Trail Protection (9/11)

The LP 968 Trail is a snowmobile trail and is shown on the Timber Sale Map. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. The road maintenance/restoration must be done prior to December 1. If the trail is used for hauling, it must be graded to the satisfaction of the Unit Manager or his/her representative prior to December 1. If the trail road is to be used for hauling during the snowmobile season, then a snow-covered base must be left on the trail. Written Permission must be obtained from the Unit Manager to haul on the snowmobile trail from December 1 to March 31. Maintain a 20-foot-wide slash, debris, and rut free zone daily using the snowmobile trail as the centerline. No decking of forest products will be permitted along the snowmobile trail. All stumps within 5 feet of the snowmobile trail must be cut at ground level.

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 which are 6 inches or greater in depth and 25 feet in length. In addition, operations are to cease immediately if equipment and weather conditions result in rutting on skid trails which are 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.

5.4.3 - Erosion Control (12/08)

Skid trails or haul roads may require erosion control structures or berms per direction of the Unit Manager or his/her representative.

5.4.4 - Slope Protection (9/19)

Skid trails and roads on slopes shall be water barred with slash and stumps as soon as use is complete to prevent erosion.

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 two (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 onsite 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 Mishler Roads and USFS Forest System 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.

6.2.2 - Snowmobile Trail Posting (10/20)

The Purchaser is responsible for posting and maintaining caution signs on snowmobile trail LP 968 prior to beginning operations during the snowmobile season (approximately December 1 to March 31). The trail 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

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.







