

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN <u>TIMBER SALE PROSPECTUS #7674</u>

<u>SCHEDULED SALE DATE AND TIME:</u> 9:00 a.m. (local time) on June 23, 2025. <u>LOCATION:</u> GRAYLING MGMT UNIT, 1955 HARTWICK PINES ROAD, GRAYLING, MI 49738.

<u>CONTACT NAME:</u> Tom Barnes <u>PHONE NUMBER:</u> (231) 384-7732

<u>PROSPECTUS NOTE</u>: All sales on this Prospectus have received damage from the Ice Storm in late March 2025. The Purchaser should harvest the wood as soon as possible.

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>Ice- Leonardo DeSaprio</u> (72-014-25) / T28N, R02E, SEC. 4 , SWNW,SW. T28N, R02E, SEC. 5 , S1/2NW,SWNE,SW,SE. T28N, R02E, SEC. 6 , SE. T28N, R02E, SEC. 7 , NENW,NE. T28N, R02E, SEC. 8 , N1/2NW,N1/2NE. T28N, R02E, SEC. 9 , NWNW. Oscoda County, Advertised Price \$41,467.50, 645.6 Acres, Jack Pine.

SALE NOTE: This is an ice storm jack pine salvage sale. This sale will be scaled at a landing by Sale Administrator.

Note that this is a two-year contract. This should be cut as soon as possible. No extensions for this sale will be granted.

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.

TIMBER SALE INFORMATION

Ice- Leonardo DeSaprio (72-014-25)

T28N, R02E, SEC. 4; T28N, R02E, SEC. 5; T28N, R02E, SEC. 6; T28N, R02E, SEC. 7; T28N, R02E, SEC. 8; T28N, R02E, SEC. 9. Oscoda County (Advertised Price \$41,467.50)

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A timber sale contract for this scaled, 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	RTISED PRICE
Pulpwood			
Jack Pine	4,275 Cords	\$	9.70 / Cord

* 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 \$2,073.38 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					28.4%
02					60.6%
03					11.0%
	 400/				

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

5. Operations on the contract issued will terminate on 06/30/2027.

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 RA	ANGE IN CORDS
TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
337,727	4,275	0.00%	4,275	4,275

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.

	VOLU	JME		RANGE IN CORDS		
VDU	TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM	
10	193,207	2,446	0.00%	2,446	2,446	
18	11,390	144	0.00%	144	144	
21	37,205	471	0.00%	471	471	
30	95,925	1,214	0.00%	1,214	1,214	
TOTAL:	337,727	4,275		4,275	4,275	

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
10	369.3	2	369.3
30	183.4	1	183.4
TOTAL:	552.7		552.7

DESCRIPTION OF TIMBER BY PU (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Jack Pine	Pulpwood	1,214	Cords	183.4	\$11,775.80
2	Jack Pine	Pulpwood	2,590	Cords	391.1	\$25,123.00
3	Jack Pine	Pulpwood	471	Cords	71.1	\$4,568.70
		TOTAL:	4,275	Cords		

Sale Specific Conditions & Requirements

Sale Name: Ice- Leonardo DeSaprio

Sale Number: 72-014-25 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 blue and red paint or are unmarked and identified by existing roads or changes in cover type as shown on the Timber Sale Map. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint, except along existing roads or changes in cover type as shown on the Timber Sale Map. The painted boundary line trees are not Included Timber and are to be protected.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut Unit(s) with Unmerchantable Trees (6/14)

Within Payment Unit(s) 1, 2 and 3, cut all trees that are two (2) inches or more at DBH except do not cut red pine or white oak.

2.1.11 - Description of Timber Note (2/04)

Note that this is an ice storm salvage sale, and all Payment Units will be scaled by Sale Administrator. Chipping of Sale Area will not be required but is encouraged. If sale is chipped, the Purchaser must provide electronic confirmation of scale tickets at minimum twice per week. To convert weight to cords, we will use a conversion of 1 cord = 1.9 tons or 1 cord = 3,800 pounds. This is from the USDA's Timber Management Field Book, 2008 Edition table 2.10 Weight Table for Various Woods.

2.2 - Utilization

2.2.3 - Stump Heights (12/24)

Stump heights within the Sale Area shall not exceed six (6) inches for all trees. This is in order to facilitate planting operations.

3 - Payments

3.2 - Scaled Sales

3.2.1 - Scale Location (2/04)

Forest products will be placed for measurement at designated areas by the Sale Administrator. In addition, negotiate with Sale Administrator to determine frequency of scaling.

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.

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 chipped, utilized or otherwise removed from the sale.

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 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

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

The Purchaser is responsible for contacting the gas or pipeline company 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.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.11 - Slash for Reforestation (3/21)

Within the Sale Area, chipping is encouraged as it is the most effective and efficient way to mitigate slash for reforestation. Other tactics to mitigate slash for site preparation would need to be approved by the Unit Manager or his/her representative. Liquidated damages may be assessed at \$250 per acre if it is determined that slash mitigation was inadequate and mastication is needed for the DNR to conduct site preparation for planting.

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 chipped, utilized, or removed from Sale Area.

5.2.33 - Gas Well Revegetation (12/08)

In the event that the gas well is utilized for a landing, the site must be revegetated with a seeding mixture specified by the Unit Manager or his/her representative.

5.2.39 - ORV Trail/Route Protection (4/18)

Hunt Creek Motorcycle Trail is an ORV trail or route and is shown on the Timber Sale Map. Do not cut trees or damage posts with yellow ORV markers. All stumps within five (5) feet of the trail must be cut flush with the ground. Maintain a 20-foot-wide slash, debris, and rut free zone daily using the ORV trail or route as the centerline. Do not run equipment down the ORV trail or route. Skidding across the trail or route may only occur in locations approved by the Sale Administrator.

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 Eastwood 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.

6.2.3 - Recreational Trail Posting (10/20)

The Purchaser is responsible for posting and maintaining caution signs on Hunt Creek Motorcycles Trail prior to beginning operations. The trail must be posted at appropriate distances from the Sale Area

to warn of logging activity and truck traffic at both ends of the trail. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

7 - Other Conditions

7.2 - Extensions

7.2.2 - No Extensions (3/09)

This is an ice storm jack pine salvage harvest. There will be no extensions granted on this contract.

7.2.3 - Salvage Extension (6/13)

This is a salvage sale with a short contract length. The sale must be harvested promptly. One (1), twelve (12) month extension can be applied to one (1) other State Forest Timber Sale Contract owned by the purchaser or owned by one (1) designated sub-contractor of the Purchaser that works this contract. To qualify, the contract expiration date of the contract to be extended must be within twelve (12) months from the issue date of this contract. If this is the first extension on the other State Forest Timber Sale Contract, then the 5% extension fee will be waived. If this is an additional extension, the 10% fee will be reduced to 5%. The salvage extension must be used before this contract is closed-out. This specification does not alleviate the purchaser from any contractual obligations of the extended State Forest Timber Sale Contract. Per General Condition & Requirement 7.2, extensions are at the sole discretion of the DNR.

7.5 - Loss

7.5.1 - Deteriorating Timber (7/09)

The Sale Area has received damage from an ice storm that occurred in late March 2025. The Purchaser should harvest the wood as soon as possible. The Department of Natural Resources is held free of responsibility of any further damage or deterioration due to delay in harvesting.

