

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN <u>TIMBER SALE PROSPECTUS #7676</u>

<u>SCHEDULED SALE DATE AND TIME:</u> 9:30 a.m. (local time) on June 24, 2025. <u>LOCATION:</u> GAYLORD MGMT UNIT, 1732 WEST M 32, GAYLORD, MI 49735.

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

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

<u>Ice Trees of Green</u> (52-026-25) / T29N, R02W, SEC. 13, E1/2NW,W1/2NE,NESW,NWSE. T29N, R02W, SEC. 22, E1/2NE,NESE,S1/2SE. Otsego County, Advertised Price \$16,963.20, 105.8 Acres, Red Pine. SALE NOTE: This is a short duration salvage contract. Remove trees with damage to crowns of 50% or more (approximately 30% of stand).

Best access is off of Old State Road and Lovells Road.

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 Trees of Green (52-026-25) T29N, R02W, SEC. 13; T29N, R02W, SEC. 22. Otsego County (Advertised Price \$16,963.20)

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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* | ADV | ERTISED PRICE |
|--------------------|------------------|-----|---------------|
| Pulpwood | | | |
| Red Pine | 744 Cords | \$ | 22.80 / 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 \$848.16 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 | 25.8% |
|----|-------|
| 02 | 31.9% |
| 03 | 23.3% |
| 04 | 19.0% |

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 | |
| 58,791 | 744 | 0.00% | 744 | 744 | |

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 |
| 6 | 11,153 | 141 | 0.00% | 141 | 141 |
| 8 | 13,681 | 173 | 0.00% | 173 | 173 |
| 40 | 15,147 | 192 | 0.00% | 192 | 192 |
| 44 | 18,810 | 238 | 0.00% | 238 | 238 |
| TOTAL: | 58,791 | 744 | | 744 | 744 |

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 |
|--------|-----------|----|----------|
| 6 | 20.2 | 4 | 20.2 |
| 8 | 24.8 | 3 | 24.8 |
| 40 | 27.5 | 1 | 27.5 |
| 44 | 33.3 | 2 | 33.3 |
| TOTAL: | 105.8 | | 105.8 |

DESCRIPTION OF TIMBER BY PU (PU)

| PU | MARKET GROUP | PRODUCT | QUANTITY | UNIT | ACRES | ADVERTISE PRICE |
|------------------|--------------|----------|----------|-------|-------|-----------------|
| 1 | Red Pine | Pulpwood | 192 | Cords | 27.5 | \$4,377.60 |
| 2 | Red Pine | Pulpwood | 238 | Cords | 33.3 | \$5,426.40 |
| 3 | Red Pine | Pulpwood | 173 | Cords | 24.8 | \$3,944.40 |
| 4 | Red Pine | Pulpwood | 141 | Cords | 20.2 | \$3,214.80 |
| TOTAL: 744 Cords | | | | | | |

Sale Specific Conditions & Requirements

Sale Name: Ice Trees of Green

Sale Number: 52-026-25 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 red and blue paint and cover type changes (see 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 with the exception as described below for the individual Payment Units.

-Payment Unit 1: The S boundary is designated by the road/snowmobile trail, the NE boundary is designated by immature aspen, and the W boundary is designated by immature red pine and aspen.

-Payment Unit 2: The S and W boundaries are designated by immature aspen.

-Payment Unit 3: The S boundary is designated by the road/snowmobile trail

-Payment Unit 4: The NW boundary is designated by immature aspen, and the E boundary is designated by immature jack pine.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1-4, all red pine is designated for cutting if they have received damage greater than 50% to the crowns.

2.1.11 - Description of Timber Note (2/04)

Note that this is an ice storm salvage sale. All Payment Units will be scaled by Sale Administrator. Prices for individual species if present within the Sale Area are as follows:

-Jack Pine \$13.50/cord -Mixed Hardwood \$14.00/cord -Mixed Oak \$7.50/cord -Mixed Aspen \$16.50/cord -White Pine \$19.00/cord

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 of twice per week. To convert red pine chip 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.

3 - Payments

- 3.2 Scaled Sales
 - 3.2.1 Scale Location (2/04)

Forest products will be placed for measurement in an area determined by the Sale Administrator. In addition, negotiate with the Sale Administrator to determine the frequency of the 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 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.

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.

4.1.6 - 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. These roads must be rendered impassable to cars and trucks. Contact the Sale Administrator for specific details of design and placement.

4.2 - Maintenance

4.2.3 - Road maintenance (8/13)

The following road maintenance may be needed: Within 60 days of completion of hauling, or if no hauling occurs for 60 days, the road must be maintained and graded. This includes cleaning of drainage areas, grading, crowning and filling with gravel, if necessary. Damages will be assessed if grading/repair does not occur.

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

5.1.1 - Pre-sale Conference (10/16)

A pre-sale conference on site between the Purchaser and Sale Administrator is required prior to beginning any operations. The Unit Manager or his/her representative must be contacted at least five (5) 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/pipeline company and MISSDIG prior to operating equipment in the vicinity of well heads or natural gas pipelines.

5.1.4 - Post-Sale Conference (10/16)

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

5.2 - Conduct of Operations

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.

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

A recreational trail 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. Skidding across the trail or route may only occur in locations approved by the Sale Administrator.

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 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.

5.8 - 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 any state forest roads within the sale area 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 the recreational 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)

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 the Ice storm in 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.

Section Name: Sale Specific

Current as of 6/13/2025 8:14:30AM



