

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #5723

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on October 14, 2016. LOCATION: GRAYLING MGMT UNIT, 1955 HARTWICK PINES ROAD, GRAYLING, MI 49738.

CONTACT NAME: Susan Thiel PHONE NUMBER: (989) 348-6371

PROSPECTUS NOTE: 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>AIR TO GROUND OAK</u> (72-624-15) / T28N, R02W, SEC. 19, E1/2NE, E1/2SE.

T28N, R02W, SEC. 20, NW1/4, W1/2SW, NE1/4.

Crawford County, Advertised Price \$130,530.65, 223.0 Acres, Aspen, Hardwood.

SALE NOTE: Military restrictions apply for this sale. Typically, the restricted period is from May 1 to October 31.

Dead oak was cruised as Species 99, Mixed hardwood and appraised at \$8.00 per cord for firewood. Units 1, 3, 5 and 6 were cruised using a 20 BAF prism, units 2 and 4 were cruised using a 10 BAF prism.

TIMBER SALE INFORMATION

AIR TO GROUND OAK (72-624-15)

T28N, R02W, SEC. 19; T28N, R02W, SEC. 20. Crawford County (Advertised Price \$130,530.65)

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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. Bids must be at or above the following advertised price for each species:

| PRODUCTS & SPECIES | ESTIMATE | ESTIMATED UNITS* | | ADVERTISED PRICE | |
|--------------------|-----------------|------------------|----|------------------|--|
| Sawtimber | | | | | |
| Mixed Oak | 388.60 | MBF | \$ | 170.00 / MBF | |
| Red Pine | 68.60 | MBF | \$ | 162.00 / MBF | |
| Pulpwood | | | | | |
| Mixed Aspen | 473.00 | Cords | \$ | 17.90 / Cord | |
| Mixed Oak | 1,414.00 | Cords | \$ | 8.50 / Cord | |
| White Pine | 373.00 | Cords | \$ | 20.75 / Cord | |

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$25,130.00:

| PRODUCTS & SPECIES | ESTIMATE | ESTIMATED UNITS* | | ADVERTISED PRICE | |
|--------------------|-----------------|------------------|----|------------------|--|
| Sawtimber | | | | | |
| Jack Pine | 15.00 | MBF | \$ | 38.00 / MBF | |
| Mixed Aspen | 20.00 | MBF | \$ | 75.00 / MBF | |
| White Pine | 60.90 | MBF | \$ | 94.00 / MBF | |
| Pulpwood | | | | | |
| Balsam Fir | 29.00 | Cords | \$ | 23.60 / Cord | |
| Jack Pine | 224.00 | Cords | \$ | 18.75 / Cord | |
| Mixed Hardwood | 456.00 | Cords | \$ | 8.00 / Cord | |
| Red Maple | 200.00 | Cords | \$ | 9.45 / Cord | |
| Red Pine | 124.00 | Cords | \$ | 55.75 / Cord | |

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$7,000.00 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.
- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 12/31/2018.

Sale Specific Conditions & Requirements

Sale Name: AIR TO GROUND OAK Sale Number: 72-624-15 Seq#: 1

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

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. 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, 2, 3, 4, 5 and 6, cut all trees that are two (2) inches or more at DBH, including dead oak.

2.1.11 - Description of timber note (2/04)

Note that Mixed Hardwood pulp = dead oak.

2.2 - Utilization

2.2.2 - Chipping required (5/14)

This area must be chip harvested to meet National Guard requirements, unless written exception is obtained by the Unit. The Purchaser has the option to produce sawlogs or pulpwood bolts, but the remaining portion of the trees must be chipped and hauled. 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 the Sale Area shall not exceed 6 inches for all trees. This is in order to facilitate military requirements.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) 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 Supplement. There will be only one division per Payment Unit.

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.

4.1.7 - 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. Contact the sale administrator for specific details of design and placement.

4.1.11 - Permits (2/12)

The Purchaser will secure any necessary highway and stream crossing permits that may be required.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations to determine landing locations. The Unit Manager or his/her representative must be contacted at least 5 days in advance to schedule the conference.

5.1.4 - Post-sale conference (6/11)

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.

5.1.5 - National Guard notification (2/15)

This sale is upon lands utilized for training by the Michigan National Guard - Camp Grayling. A minimum of five (5) business days prior to opening this sale, the producer must request that the sale administrator contact the military for information regarding training plans that may impact sale operations.

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 (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

5.2.3 - Operating Restrictions

5.2.3.7 - National Guard training restriction (1/09)

Operations on this contract may not be allowed during National Guard training operations. Typically, the restricted period is from May 1 to October 31. The contractor must check with the Unit Manager who will coordinate the cutting schedule with the Military.

5.2.29 - Shrub protection (9/07)

Do not cut or damage hawthorn, witch-hazel, dogwood or juneberry. These woody-shrub plants are highly beneficial to various wildlife species.

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 drainages. 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.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (9/09)

The Purchaser is responsible for posting and maintaining caution signs on Kinney Rd. 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.

SKIP

6.4 - Unexploded ordinance (7/15)

Be aware that the sale area could contain UXO (unexploded ordinances). Do not touch, or drive over any metal objects. If any objects are found, please flag the area and notify the Unit Manager or his/her representative, so that they can make arrangements with the Military.

7 - Other Conditions

7.10 - Certified Timber

7.10.1 - Non-certified timber (12/05)

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 are managed for military training.

8 - Performance and Settlement

SKIP

8.3.1 - Completion of contract, chipping (1/16)

In addition to cutting, all chipping must be completed by the contract expiration date. If chipping has not been completed, an extension fee or damages may be charged per General Condition & Requirement 7.2 and 8.3.

Section Name: Sale Specific Current as of 9/8/2016 11:09:22AM

