

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #5995

<u>SCHEDULED SALE DATE AND TIME:</u> 8:30 a.m. (local time) on August 1, 2017. <u>LOCATION:</u> CRYSTAL FALLS MGT UNIT, 1420 US-2 WEST, CRYSTAL FALLS, MI 49920.

CONTACT NAME: Dan McNamee PHONE NUMBER: (906) 875-6622

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, CRYSTAL FALLS MANAGEMENT UNIT, for certain timber on the following described lands:

Paint River Hdwd MWR (12-056-17)

Iron County, Advertised Price \$10,547.95, 29.9 Acres, Aspen, Sugar Maple.

SALE NOTE: This is a hardwood research sale set up by Michigan State University. Prospective purchasers should consider very specific cutting and slash removal specifications and very short contract length. No extensions will be allowed on this sale. However, with stipulations (see spec 7.2.7), a free 1 year extension can be applied to another State Forest Timber Sale Contract. In addition, weather depending, logging in non frozen conditions may not be feasible.

Access may be through private land.

TIMBER SALE INFORMATION

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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	ESTIMATED UNITS*		AD'	ADVERTISED PRICE	
Sawtimber					
Basswood	2.90	MBF	\$	166.00 / MBF	
Sugar Maple	18.60	MBF	\$	339.00 / MBF	
Pulpwood					
Balsam Fir	1.00	Cords	\$	14.25 / Cord	
Basswood	15.00	Cords	\$	8.70 / Cord	
Quaking Aspen	23.00	Cords	\$	25.00 / Cord	
Sugar Maple	148.00	Cords	\$	20.55 / Cord	

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$1,000.00 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 remainder is due before cutting begins.
- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2018.

Description of Timber by Payment Unit (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Basswood	Sawtimber	2.9	MBF	29.9	\$10,547.95
	Sugar Maple		18.6	MBF		
	Balsam Fir	Pulpwood	1.0	Cords		
	Basswood		15.0	Cords		
	Quaking Aspen		23.0	Cords		
	Sugar Maple		148.0	Cords		
		TOTAL:	21.5	MBF		
		TOTAL:	187.0	Cords		

Sale Specific Conditions & Requirements

Sale Name: Paint River Hdwd MWR

Sale Number: 12-056-17 Seq#: 1

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (1/14)

The sale boundary is marked with red paint. Note: the red paint lines are not actual property lines, but private land is immediately adjacent to the sale boundary. Interior sale boundaries are marked with yellow paint, designating patch cuts. The painted boundary line trees are not Included Timber and are to be protected unless marked with orange paint.

2 - Timber Specifications

2.1 - Included Timber

2.1.3 - Cut tree marked unit(s) (12/08)

Within Payment Unit(s) 1, trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. Additionally, within Payment Unit 1, cut all trees that are two (2) inches or more at DBH within designated patch-cut areas (bounded by yellow paint). Yellow painted boundary trees are not to be harvested. The total area of the patch cuts is 1.95 acres with each patch being 0.15 acres in size. Thirteen patch cut areas are located within the 30 acre treatment area.

2.2 - Utilization

2.2.2 - Chipping required (5/14)

Payment Unit 1 must be chip harvested to facilitate follow-up scarification. 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. If market conditions limit the practicality of chipping, the producer may skid all remaining topwood out of the patch-cut areas and scatter in locations approved by the sale administrator. Chipping or slash removal must be completed by March 15th 2018. If the deadline is not met, damages will be collected at a rate determined by the cost for the Department to hire a contractor to complete this specification. The requirement to retain approximately 1/6 to 1/3 of tree tops and limbs less than four inches in diameter does not apply (G. C. & R. 2.2). This is due to the research nature of the sale.

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH. This is in order to facilitate scarification operations.

2.2.8 - Utilization and removal (5/14)

Payment Unit 1 is part of a research project. All slash and all forest products meeting standards set forth in General Condition and Requirement 2.2 - Utilization must be removed from the sale area. The slash must be chipped unless another option is negotiated with the Unit Manager or their representative to reduce, eliminate, and/or disperse the slash into the surrounding area. Chipping or slash removal must be completed by March 15th 2018. This is because of the research nature of this project.

2.3 - Log Rule

2.3.1 - Log rule (12/08)

All board foot volumes of sawlog size products in this contract have been determined by the Scribner Decimal C Log Rule.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/14)

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 merchantable trees. If more than 5% of merchantable trees 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 \$50.00 per sawtimber tree and \$5.00 per pole sized tree, whichever is greater. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings.

4 - Transportation

- 4.1 Construction
 - 4.1.6 Road construction (1/09)

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. Stumps shall be set upright, not left on edge, and be moved at least 5 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)

Any berms removed for logging access shall be restored within 60 days of the sale expiration. In general, this will require constructing a four (4') foot high berm of stumps, rocks, slash and earth. Contact the sale administrator for specific details of design and placement.

4.1.12 - No new roads (1/12)

No new roads will be permitted. All operations are limited to existing roads. Existing roads may be improved if necessary.

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the Purchaser. Road access may be available through Molpus lands.

5 - 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. This is to reduce slash loading for future scarification 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

5.2.3.1 - Operating restrictions (9/11)

Within Payment Unit(s) 1, unless changed by written agreement, cutting and skidding is limited to the period from August 15th 2017 to March 15th 2018. Payments must be completed and operations must begin no later than February 1st 2018. This restriction is due to the necessity of assuring that all operations are on schedule for timely completion of the research project. Note: depending on the weather, logging in non frozen conditions may not be feasible in the sale area.

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.

5.4.3 - 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.

5.8 - 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 on-site evaluation and recommendation can be made, if necessary.

7 - Other Conditions

7.2 - Extensions

7.2.7 - Research extension (12/16)

This is a research 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.

