

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN <u>TIMBER SALE PROSPECTUS #7262</u>

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on July 24, 2023. LOCATION: GRAYLING MGMT UNIT, 1955 HARTWICK PINES ROAD, GRAYLING, MI 49738.

<u>CONTACT NAME:</u> Thomas Barnes <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>Colton's Kicked Can</u> (72-019-22) / T27N, R03W, SEC. 31, NENE, NESE, S1/2SE.

T27N, R03W, SEC. 32, NWNW,S1/2NW,E1/2SW.

Crawford County, Advertised Price \$56,782.15, 82.1 Acres, Hardwood, Red Pine.

SALE NOTE: There is a high-pressure pipeline that will need to be crossed to access Payment Unit 4. The Purchaser will need to contact DTE, 1-800-363-9541, 30 days prior to operations. Interlocking composite mats or crane mats will likely need to be utilized to access Payment Units 3 & 4. Contact the Forester 30 days prior to operations beginning to schedule use of mats. Payment Units 3 & 4 require roundwood operations, as well as a winter harvest. In addition, Payment Unit 5 is oak wilt restricted.

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

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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. 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>ADV</u>	ERTISED PRICE
Sawtimber				
Black/Red (Hybrid) Oak	44.7	MBF	\$	159.00 / MBF
Red Pine	145.0	MBF	\$	134.00 / MBF
White Pine	72.9	MBF	\$	84.00 / MBF
Pulpwood				
Balsam Fir	7	Cords	\$	35.05 / Cord
Black/Red (Hybrid) Oak	93	Cords	\$	30.95 / Cord
Jack Pine	278	Cords	\$	22.90 / Cord
Mixed Aspen	40	Cords	\$	30.20 / Cord
Mixed Hardwood	165	Cords	\$	29.95 / Cord
Paper Birch	3	Cords	\$	24.40 / Cord
Red Pine	104	Cords	\$	44.85 / Cord
White Pine	128	Cords	\$	29.25 / Cord

* The total volume is statistically estimated within plus (+) or minus (-) 16.00 percent. There are an estimated 1,465 cords on this timber sale, plus or minus 235 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.

VALUE

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$2,839.11 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
01	10.5%
02	17.8%
03	11.6%
04	26.1%
05	28.5%
06	5.5%

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

5. Operations on the contract issued will terminate on 09/30/2026.

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		
115,737	1,465	16.00%	1,231	1,700		

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	VDU TOTAL CUBIC FEET TOTAL CORDS P		PERCENT ERROR	MINIMUM	MAXIMUM	
10	17,805	225	29.44%	159	292	
15	9,438	119	31.33%	82	157	
17	23,565	298	24.72%	225	372	
21	26,814	339	29.13%	241	438	
23	11,993	152	32.93%	102	202	
24	26,122	331	38.53%	203	458	
TOTAL:	TOTAL: 115,737 1,465			1,011	1,919	

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	14.5	1	14.5
15	12.7	6	12.7
17	10.1	2	10.1
21	19.2	5	19.2
23	15.5	3	15.5
24	10.1	4	10.1
TOTAL:	82.1		82.1

DESCRIPTION OF TIMBER BY PU (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Pine	Sawtimber	8.1	MBF	14.5	\$5,979.55
	White Pine		0.8	MBF		
	Black/Red (Hybrid	Pulpwood	3	Cords		
	Jack Pine		126	Cords		
	Jack Pine	Sawtimber	22.6	MBF		
	Jack Pine	Pulpwood	81	Cords		
	Mixed Hardwood	1 0.000	46	Cords		
				Cords		
	Red Maple		46			
	Paper Birch		3	Cords		
	Red Pine		3	Cords		
	White Pine		9	Cords		
2	Black/Red (Hybrid	Sawtimber	4.9	MBF	10.1	\$10,131.35
	Red Pine		14.3	MBF		
	White Pine		22.2	MBF		
	Balsam Fir	Pulpwood	7	Cords		
	Black/Red (Hybrid		24	Cords		
	Jack Pine		22	Cords		
	Jack Pine	Sawtimber	6.4	MBF		
	Jack Pine	Pulpwood	9	Cords		
	Mixed Aspen	7 0,01000	14	Cords		
	Quaking Aspen	Sawtimber	1.3	MBF		
			1.3			
	Quaking Aspen	Pulpwood		Cords		
	Mixed Hardwood	• " •	70	Cords		
	Red Maple	Sawtimber	4.5	MBF		
	Red Maple	Pulpwood	61	Cords		
	Red Pine		25	Cords		
	White Pine		15	Cords		
3	Black/Red (Hybrid	Sawtimber	0.7	MBF	15.5	\$6,607.65
	Red Pine		18.7	MBF		
	White Pine		9.9	MBF		
	Black/Red (Hybrid	Pulpwood	2	Cords		
	Jack Pine		1	Cords		
	Jack Pine		1	Cords		
	Mixed Aspen		1	Cords		
	Quaking Aspen		1	Cords		
	Red Pine		32	Cords		
	White Pine		55			
				Cords	40.4	* 11 000 00
4	Black/Red (Hybrid	Sawtimber	9.0	MBF	10.1	\$14,820.20
	Red Pine		59.8	MBF		
	White Pine		14.4	MBF		
	Black/Red (Hybrid	Pulpwood	11	Cords		
	Jack Pine		31	Cords		
	Jack Pine	Sawtimber	6.0	MBF		
	Jack Pine	Pulpwood	19	Cords		
	Mixed Aspen		12	Cords		
	Quaking Aspen	Sawtimber	4.2	MBF		
	Quaking Aspen	Pulpwood	4	Cords		
	Mixed Hardwood		31	Cords		
	Red Maple		31	Cords		
	Red Pine		27	Cords		
				-		
	White Pine		21	Cords		.
	D I 1/ D 1/ D					ר 101 מיז בער מיז ביו
5	Black/Red (Hybrid	Sawtimber	29.2	MBF	19.2	ຈາຍ, ເບາ. ເບ
5	Red Pine	Sawtimber	44.1	MBF	19.2	\$16,101.10
5					19.2	\$10,101.10

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

		PRODUCT				
PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
5 con't	Jack Pine	Pulpwood	5	Cords		
	Jack Pine	Sawtimber	0.5	MBF		
	Jack Pine	Pulpwood	4	Cords		
	Mixed Aspen		13	Cords		
	B. T. Aspen		13	Cords		
	Mixed Hardwood		7	Cords		
	Red Maple		7	Cords		
	Red Pine		17	Cords		
	White Pine		25	Cords		
6	Black/Red (Hybrid	Sawtimber	0.9	MBF	12.7	\$3,142.30
	White Pine		1.7	MBF		
	Black/Red (Hybrid	Pulpwood	10	Cords		
	Jack Pine		93	Cords		
	Jack Pine	Sawtimber	16.7	MBF		
	Jack Pine	Pulpwood	60	Cords		
	Mixed Hardwood		11	Cords		
	Black Cherry		1	Cords		
	Red Maple		10	Cords		
	White Pine		3	Cords		
	•	TOTAL:	262.6	MBF		•
		TOTAL:	818	Cords		

Sale Specific Conditions & Requirements

Sale Name: Colton's Kicked Can

Sale Number: 72-019-22 Seq#: 2

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, trails, or right of ways. 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 of, the north and east boundaries of Payment Unit 1 which are unmarked and identified by the snowmobile trail LP 47 and Roberts Rd, the east boundary of Payment Unit 6 is unmarked and identified by Lewiston Grade. The interior Payment Unit boundary separating Payment Units 3 & 4 is unmarked and identified by the pipeline ROW. Retention patches are marked with red paint; no harvesting activities may occur within these areas. 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, 4, & 6, cut all trees that are two (2) inches or more at DBH, except do not cut trees marked with green paint or any cedar. Special protection trees identified in accordance with condition 3.4.2, within clearcutting unit boundaries, are not Included Timber and are to be protected.

2.1.5 - Overstory removal unit(s) (8/11)

Within Payment Unit(s) 3 & 5, all trees which meet minimum piece specifications in 2.2 Utilization, are designated for cutting, except do not cut trees marked with green paint or any cedar. Special protection trees identified in accordance with condition 3.4.2, within clearcutting unit boundaries, are not Included Timber and are to be protected.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for trees greater than 10 inches at DBH, and 4 inches for trees smaller than 10 inches at DBH. A written waiver of this requirement may be obtained if wet summer weather makes winter logging necessary.

2.2.6 - Roundwood operation required (3/21)

The skidding of whole trees or tree segments with limbs attached is prohibited within Payment Unit(s) 3 & 4. All products must be produced as roundwood and forwarded to existing roads or landing areas in final product length.

2.2.9 - No chipping permitted (12/08)Within Payment Unit(s) 3 & 4, no chipping is permitted.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (7/16)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings in Payment Units 3 & 5.

Within the Sale Area, if more than 30% of the tree 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 \$500 per acre for all acreage within that specified portion of the Sale Area that was damaged. Trees cut cleanly for operational pathways will not be counted as damaged timber.

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.

3.4.2 - Special Protection Trees (4/14)

The Purchaser shall not cut live or dead special protection trees within cutting units or clearings. Special protection trees are marked with green paint. If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay \$500 as fixed, agreed and liquidated damages for each special protection tree cut or damaged. Such payment does not constitute ownership of the undesignated timber.

4 - Transportation

4.1 - Construction

4.1.6 - Road construction (1/09)

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.

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 to schedule timber mat installation and to make contact with the pipeline company. The Unit Manager or his/her representative must be contacted at least 30 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 pipeline company prior to operating equipment in the vicinity of well heads or natural gas pipelines. Contact DTE Energy at 1(800)363-9541.

5.1.6 - Utility R.O.W. (4/19)

It is the responsibility of the Purchaser to obtain permission from the utility company to utilize the power line R.O.W. for operations.

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

5.2.3.4 - Oak wilt restriction, no exceptions (1/18)

Within Payment Unit 5, cutting, skidding, 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. Hauling may be

allowed if brushing is completed prior to restrictions coming on.

5.2.17 - Timber Mats and Interlocking Composite Mats (10/20)

Some roads or skid trails may require extra protection such as that afforded by timber mats, interlocking composite mats, or another approved system. Approximately 600 feet of road or trail will need extra protection at locations shown on the Timber Sale Map. If available, mats may be borrowed from the DNR. A Timber Sale Contract Supplement 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.

5.2.22 - Operating Caution

5.2.22.1 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s) 2-4, cutting, skidding, and hauling occur during frozen winter conditions. The reason for the recommendation is to maximize regeneration and to minimize rutting through lowland access.

5.2.29 - Shrub protection (1/20)

Reasonable care should be taken to avoid cutting or damaging hawthorn, dogwood or juneberry. These woody-shrub plants are highly beneficial to various wildlife species.

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.

5.2.40 - Pathway protection (10/10)

The Fredrick Route is an ORV route and Trail 2948 is a walking trail; both are shown on the Timber Sale Map. Do not cut trees or damage posts with blue pathway markers. Maintain a 20-foot-wide slash, debris, and rut free zone daily, using the pathway as the centerline. Skidding across the trail may only occur in locations approved by the Sale Administrator.

5.2.41 - Snowmobile trail protection (9/11)

The Trail #47 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. The snowmobile trail is not to be used without written approval from the Unit Manager. The snowmobile trail may only be crossed at right angles. 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. In addition, any trees cut within 5 feet of the trail must be cut flush 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 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.

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 Lewiston Grade and Roberts 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.

6.2.2 - Snowmobile trail posting (10/20)

The Purchaser is responsible for posting and maintaining caution signs on Trail #47 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

7.2 - Extensions

7.2.5 - Weather related extension (1/13)

If weather conditions during the operating period of this contract prevent harvesting, this sale may qualify for a weather related extension. If approved, the normal extension fee would be waived. To qualify, there must be a documented attempt each year to harvest in the difficult portion of the sale.

