

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN TIMBER SALE PROSPECTUS #7234

SCHEDULED SALE DATE AND TIME: 10:00 a.m. (local time) on October 17, 2023.

LOCATION: ATLANTA MGMT UNIT, 13501 M 33, ATLANTA, MI 49709.

<u>CONTACT NAME:</u> Matt Foster <u>PHONE NUMBER:</u> (989) 619-5921

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

<u>Penance Pine</u> (54-015-22) / T33N, R02E, SEC. 1 , S1/2SW,SESE. T33N, R02E, SEC. 12, N1/2NW,N1/2NE.

Presque Isle County, Advertised Price \$96,694.30, 48.5 Acres, Red Pine, White Pine.

SALE NOTE: The Purchaser must observe the 2" cutting requirement across all of Payment Unit 3.

TIMBER SALE INFORMATION

Penance Pine (54-015-22)

T33N, R02E, SEC. 1; T33N, R02E, SEC. 12. Presque Isle County (Advertised Price \$96,694.30)

SALE NOTE: The Purchaser must observe the 2" cutting requirement across all of Payment Unit 3.

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	<u>ESTIMATE</u>	D UNITS*	<u>ADV</u>	ERTISED PRICE
Sawtimber				
Red Pine	204.5	MBF	\$	145.00 / MBF
White Pine	28.0	MBF	\$	231.00 / MBF
Pulpwood				
Jack Pine	8	Cords	\$	12.15 / Cord
Mixed Aspen	56	Cords	\$	29.00 / Cord
Mixed Hardwood	14	Cords	\$	29.70 / Cord
Mixed Oak	26	Cords	\$	36.75 / Cord
Paper Birch	20	Cords	\$	18.80 / Cord
Red Pine	1,268	Cords	\$	43.55 / Cord
Scotch Pine	8	Cords	\$	14.00 / Cord
White Pine	58	Cords	\$	30.55 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 18.50 percent. There are an estimated 2,000 cords on this timber sale, plus or minus 370 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.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$4,834.72 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 VALU
01	38.3%
02	33.9%
03	27.8%

- 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 RANGE IN CORDS		
	TOTAL CUBIC FEET	TOTAL CORDS	PERCENT ERROR	MINIMUM	MAXIMUM
	158,016	2,000	18.50%	1,630	2,370

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
51	62,125	786	21.12%	620	953
62	53,907	682	16.90%	567	798
72	3,223	41	167.87%	0	109
76	37,882	480	22.12%	373	586
101	880	11	211.10%	0	35
TOTAL:	158,016	2,000		1,561	2,480

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
51	18.7	1	18.7
62	13.0	2	13.0
72	3.2	3	3.2
76	9.3	3	9.3
101	4.3	3	4.3
TOTAL:	48.5		48.5

DESCRIPTION OF TIMBER BY PU (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Pine	Sawtimber	76.1	MBF	18.7	\$37,077.40
	Red Pine	Pulpwood	598	Cords		
	Red Pine	Sawtimber	97.0	MBF		
	Jack Pine	Pulpwood	8	Cords		
	Mixed Aspen		56	Cords		
	Mixed Hardwood		8	Cords		
	Mixed Oak		19	Cords		
2	Paper Birch	Pulpwood	20	Cords	13.0	\$32,732.50
	Paper Birch	Sawtimber	1.7	MBF		
	Paper Birch	Pulpwood	17	Cords		
	Red Pine		359	Cords		
	Red Pine	Sawtimber	31.4	MBF		
	White Pine		28.0	MBF		
	Mixed Hardwood	Pulpwood	6	Cords		
3	Mixed Oak	Pulpwood	7	Cords	16.8	\$26,884.40
	Red Oak	Sawtimber	1.3	MBF		
	Red Oak	Pulpwood	4	Cords		
	Red Pine		311	Cords		
	Scotch Pine		8	Cords		
	White Pine		58	Cords		
		TOTAL:	232.5	MBF		
		TOTAL:	1,458	Cords		

Sale Specific Conditions & Requirements

Sale Name: Penance Pine Sale Number: 54-015-22 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 red and yellow paint, or are unmarked and designated by roads. Exterior sale boundary lines against state are marked with red paint, with the exception of the eastern boundary in Payment Unit 3, which is unpainted and identified as Hoffmeyer Road. Interior Payment Unit boundaries are marked with yellow paint. Retention patches are marked with red paint; no harvesting activities may occur within these areas. The red painted boundary line trees are not Included Timber and are to be protected, with the exception of Payment Unit 3. 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) 1-3, cut all trees that are two (2) inches or more at DBH.

2.1.15 - Hazard trees near roads (11/20)

Cut and remove all standing dead trees within 100 feet of the cleared portion of 6 Mile Highway. These trees must be scattered back into the Sale Area.

2.2 - Utilization

2.2.2 - Chipping required (2/18)

This area must be chip harvested to facilitate subsequent planting operations. The Purchaser has the option to produce sawlogs or pulpwood bolts, but the remaining portion of the trees must be chipped and hauled. Unless other arrangements are made, tops must be chipped within 90 calendar days of severance from the stem to facilitate future planting activities. If chipping is delayed, all tops must be skidded to the landing or a central location within 90 calendar days of felling to facilitate future planting activities. If tops are not skidded to a landing or central location within that time frame, liquidated damages may be assessed for the affected acreage. If market conditions limit the practicality of chipping, a written chipping exemption is possible only in the case the Sale Administrator determines that operational modifications will not inhibit future planting operations. Conditions that satisfy this modification may require

These requirements may change at any time. The requirement to retain approximately 1/6 to 1/3 of tree tops and limbs less than four inches in diameter is still applicable (G. C. & R. 2.2).

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 planting operations.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (7/14)

Payment Unit(s) exceeding \$25,000 in value 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 Amendment. There will

^{*}trees greater than 4" DBH must be cut to a 2" top or smaller;

^{*}sub-merchantable trees and hardwood limbs 4" or greater where they attach to the stem, must be cut/reduced to 4-foot lengths or smaller, and

^{*}slash must be evenly dispersed throughout the Payment Unit and not be more than 2-feet high.

be only one division per Payment Unit.

3.4 - Damaged Timber

3.4.3 - Special Protection Areas (8/11)

The Purchaser shall protect special protection areas from damage by the Purchaser's operations. Special protection areas are marked with a red boundary line. The Purchaser shall not cut live or dead trees within special protection areas. If the Purchaser's operations have cut or damaged special protection areas through carelessness, the Purchaser shall pay \$500 as fixed, agreed and liquidated damages for each acre or part thereof cut or damaged. Such payment does not constitute ownership of the undesignated 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 or otherwise removed from the sale.

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

4.2 - Maintenance

4.2.2 - Fill material (4/07)

To maintain roads, fill material may be needed in areas where "holes" exist or may be expected to develop. This fill material should be placed before trucking begins. Fill material shall consist of cobbles or crushed rock and must not contain clay or organic material.

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 between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations. The Unit Manager or his/her representative must be contacted in advance to schedule the conference.

5.1.4 - Post-sale conference (10/16)

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

5.2.1 - Slash

5.2.1.10 - No slash in openings (5/10)

No brush or logging debris is to be left in the maintained wildlife opening which is indicated by "G0" on the Timber Sale

Map. Any damage to the opening shall be repaired according to specifications of the Unit Manager or his/her representative.

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.

5.2.32 - 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.

5.4 - 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.

5.8 - 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.

Section Name: Sale Specific Current as of 8/23/2023 8:41:56AM

