

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN TIMBER SALE PROSPECTUS #7292

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on September 20, 2023.

LOCATION: BALDWIN OFFICE, 2468 W 24TH STREET, BALDWIN, MI 49304.

CONTACT NAME: David FIsher PHONE NUMBER: (231) 745-4651

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

GNA2 Gates Road (63-802-23) / T12N, R10W, SEC. 19, N1/2SE.

T12N, R10W, SEC. 20, SWNW,N1/2SW. T12N, R10W, SEC. 21, N1/2SW.

T12N, R11W, SEC. 23, NESE.

Newaygo County, Advertised Price \$181,456.60, 99.4 Acres, Hardwood, Red Pine.

SALE NOTE: All units of volume listed for this sale were estimated using the Inventory Manager computer program and the new Michigan taper model. This is a Good Neighbor Authority (GNA) timber sale on national forest land. This timber sale was set-up and is being advertised by the Michigan DNR for the US Forest Service. The contract will be awarded and administered by the Michigan DNR. Note the additional Sale Specific Conditions & Requirements containing the acronym 'GNA'.

Access may be through other public land.

TIMBER SALE INFORMATION

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Access may be through other public land.

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*	ADV	ERTISED PRICE
Sawtimber				
Red Pine	452.8	MBF	\$	98.00 / MBF
Pulpwood				
Mixed Hardwood	22	Cords	\$	22.25 / Cord
Northern Pin Oak	10	Cords	\$	28.55 / Cord
Red Pine	2,944	Cords	\$	46.30 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 13.97 percent. There are an estimated 4,917 cords on this timber sale, plus or minus 687 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 \$18,145.66 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	20.9%
02	25.4%
03	19.5%
04	15.2%
05	16.1%
06	2.9%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 12/31/2025.

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	
388,436	4,917	13.97%	4,230	5,604	

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
1	9,060	115	54.94%	52	178
6	99,187	1,256	28.96%	892	1,619
8	63,520	804	35.80%	516	1,092
123	151,716	1,920	26.11%	1,419	2,422
578	64,953	822	17.76%	676	968
TOTAL:	388,436	4,917		3,555	6,279

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
1	8.1	6	8.1
6	19.2	4	9.3
		5	9.9
8	18.7	3	18.7
123	32.6	2	32.6
578	20.8	1	20.8
TOTAL:	99.4		99.4

DESCRIPTION OF TIMBER BY PU (PU)

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Pine	Sawtimber	10.9	MBF	20.8	\$37,969.30
	Red Pine	Pulpwood	797	Cords		, , , , , , , , , , , , , , , , , , , ,
2	Red Pine	Sawtimber	278.6	MBF	32.6	\$45,869.10
	Red Pine	Pulpwood	401	Cords		
3	Red Pine	Sawtimber	69.0	MBF	18.7	\$35,442.65
	Mixed Hardwood	Pulpwood	11	Cords		
	Sugar Maple	Sawtimber	3.2	MBF		
	Sugar Maple	Pulpwood	5	Cords		
	Northern Pin Oak		10	Cords		
	Red Pine		608	Cords		
4	Red Pine	Sawtimber	45.7	MBF	9.3	\$27,554.65
	Mixed Hardwood	Pulpwood	5	Cords		
	Beech	Sawtimber	2.5	MBF		
	Red Pine	Pulpwood	496	Cords		
5	Red Pine	Sawtimber	48.6	MBF	9.9	\$29,296.40
	Mixed Hardwood	Pulpwood	6	Cords		
	Beech	Sawtimber	2.7	MBF		
	Beech	Pulpwood	1	Cords		
	Red Pine		527	Cords		
6	Red Pine	Pulpwood	115	Cords	8.1	\$5,324.50
		TOTAL:	452.8	MBF		
		TOTAL:	2,976	Cords		

Sale Specific Conditions & Requirements

Sale Name: GNA2 Gates Road Sale Number: 63-802-23 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 orange paint. Exterior sale boundary lines against private property are marked with orange paint. Exterior sale boundary lines against federal are marked with orange paint. Interior Payment Unit boundaries are marked with orange paint. The painted boundary line trees are not Included Timber and are to be protected unless marked with blue paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 and 6, all trees are designated for cutting when marked with blue paint above and below stump height, regardless of merchantability. In addition, cut rows are designated with blue paint.

2.1.7 - Leave tree marked unit(s) (6/14)

Within Payment Unit(s) 2-5, all trees which meet minimum piece specifications in 2.2 Utilization are designated for cutting, except do not cut trees marked with orange paint above and below stump height.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within Payment Unit(s) 1-6 shall not exceed 12 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH.

2.2.11 - Chipping restriction (9/14)

If chipping occurs on this sale, then no woody debris present on the ground at the start of the sale may be chipped. In addition, brush or chips may not be stored or stockpiled on-site for more than 30 days.

2.2.12 - GNA, cut and remove Included Timber (3/18)

Unless provided otherwise herein, the DNR agrees to sell and permit Purchaser to cut and remove Included Timber and Purchaser agrees to purchase, cut, and remove Included 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, 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 within 30 days of completion of hauling. 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. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.4 - Grading (10/16)

For completion of the sale, forest roads must be graded. In general, this will require a road grader or bull dozer to shape up the roads after forest products have been hauled off site. This includes cleaning of drainage areas, grading, crowning and filling with gravel, if necessary. The grading equipment to be used must be approved by the Unit Manager or his/her representative.

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.

4.4 - Access

4.4.5 - Federal property access (3/11)

Permission for access across federal land has been obtained by the DNR.

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 determine landing and road 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 (10/16)

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.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.8 - Slash height (12/08)

No slash may exceed 24 inches in height.

5.2.1.11 - Slash for reforestation (3/21)

To facilitate restoration efforts, slash within Payment Unit 4 shall be piled in windrows along the north edge of the payment unit boundary, blocking access from the road. Stumps within specified restoration areas shall be removed during operations. These areas will be marked on the ground and the Sale Administrator will cover disposal during the pre-sale conference.

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) 4, unless changed by written agreement, cutting, skidding, and hauling are limited to the period of September 1 to April 30. This restriction is for Karner blue butterfly habitat.

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

Within Payment Unit(s) 1-6 cutting, skidding, hauling within the sale 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.

5.2.3.14 - heterobasidion root disease (HRD) (3/21)

This plantation is at risk of infection by the root rot fungus, Heterobasidion irregulare. To prevent the spread of this disease, cutting operations within Payment Unit(s) 1-6 are restricted to the period of January 1st through February 28th. Cutting may only occur outside this period with written permission of the Unit Manager or with the application of a preventative pesticide.

Cellu-Treat and RotStop C are currently the only EPA registered products available in the United States for the control of Heterobasidion. Both products are a water-soluble powder that must be applied to the stump, in accordance with the product label. Dye must be added to these products to provide visible evidence of adequate coverage. Application of these pesticides requires licensing by the Michigan Department of Agriculture and Rural Development. All applicators are required to: provide to the Sale Administrator notification of application per requirements in 40 CFR 170.120; and document and provide to the Sale Administrator annually, by December 31 and prior to closure of sale, the volume of product used and acres treated.

5.2.29 - Shrub protection (1/20)

Do not cut or damage hawthorn, witch-hazel, 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.

5.2.38 - 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.

5.6 - Debris and Waste Material

5.6.2 - GNA, equipment cleaning (1/16)

- (a) Areas, known by the DNR prior to timber sale advertisement, that are infested with invasive species of concern are shown on the Timber Sale Map. A current list of invasive species of concern and a map showing the extent of known infestations is available from the DNR. For purposes of this provision, "Off-Road Equipment" includes all logging and construction machinery, except for log trucks, chip vans, service vehicles, water trucks, pickup trucks, cars, and similar vehicles.
- (b) Purchaser shall adhere to the following requirements with regard to cleaning "Off-Road Equipment":
- (i) Prior to moving Off-Road Equipment onto the Sale Area, Purchaser shall identify the location of the equipment's most recent operation. Purchaser shall not move any Off-Road Equipment that last operated in an area infested with one or more invasive species of concern onto Sale Area without having cleaned such equipment of seeds, soil, vegetative matter, and other debris that could contain or hold seeds, and having notified the DNR, as provided in (iii). If the location of prior operation cannot be identified, then Purchaser shall assume that the location is infested with invasive species of concern.
- (ii) Prior to moving Off-Road Equipment from a cutting unit that is shown on the Timber Sale Map to be infested with invasive species of concern to, or through any other area that is shown as being free of invasive species of concern, or infested with a different invasive species, Purchaser shall clean such equipment of seeds, soil, vegetative matter, and other debris that could contain or hold seeds, and shall notify the DNR, as provided in (iii).
- (iii) Prior to moving any Off-Road Equipment subject to the cleaning requirements set forth above, Purchaser shall advise DNR of its cleaning measures and make the equipment available for inspection. DNR shall have 2 days, excluding weekends and State holidays, to inspect equipment after it has been made available. After satisfactory inspection or after such 2 day

period, Purchaser may move the equipment as planned. Equipment shall be considered clean when a visual inspection does not disclose seeds, soil, vegetative matter, and other debris that could contain or hold seeds. Purchaser shall not be required to disassemble equipment unless so directed by the DNR after inspection.

- (iv) If Purchaser desires to clean Off-Road Equipment on National Forest land, such as at the end of a project or prior to moving to, or through an area that is free of invasive species of concern, Purchaser shall obtain prior approval from the Unit Manager or his/her representative as to the location for such cleaning and measures, if any, for controlling impacts.
- (v) Unit Manager or his/her representative may order delay, interruption, or modification of this Contract pursuant to Condition & Requirement 7.3 or 7.3.4.
- (c) Nothing contained in this Condition & Requirement shall be interpreted as creating any warranty on the part of the DNR that all locations of invasive species of concern have been described herein, elsewhere in this Contract, or designated on the ground. Following sale advertisement, additional locations may be described or designated, and other species may be added to the list of invasive species of concern. In such event, the Unit Manager or his/her representative may order delay, interruption, or modification of this Contract pursuant to Condition & Requirement 7.3 or 7.3.4.
- (d) The parties shall promptly communicate with one another with respect to description or designation of additional locations; discovery of locations of new species or new infestation; and, addition of species to the list of invasive species of concern.

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.

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 roads adjacent to 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.

7 - Other Conditions

SKIP

7.1.1 - GNA, title (7/16)

General Condition & Requirement 7.1 is inapplicable. The following applies to this contract.

All right, title, and interest in and to any Included Timber shall remain in USDA Forest Service with the State of Michigan acting on behalf of the USDA Forest Service under this GNA contract, until it has been Measured, removed from Sale Area or other authorized cutting area, and paid for, at which time title shall vest in Purchaser. Title to any Included Timber that has been Measured and paid for, but not removed from Sale Area or other authorized cutting area by Purchaser on or prior to Termination Date, shall remain in USDA Forest Service.

7.3 - Contract Modifications

- 7.3.4 GNA, contract suspension and modification (5/16)
- (a) The Unit Manager may, by written order, delay or interrupt authorized operations under this contract or, notwithstanding Condition & Requirement 7.3, modify this contract, in whole or in part:
- (i) To prevent environmental degradation or resource damage, including, but not limited to, harm to habitat, plants, animals, cultural resources, or cave resources;

- (ii) To ensure consistency with land and resource management plans or other documents prepared pursuant to the National Environmental Policy Act of 1969, 42 USC 4321-4347;
- (iii) To conduct environmental analysis, including, but not limited to, engaging in consultation pursuant to the Endangered Species Act of 1973, 16 USC 1531, et seq.; or
- (iv) Upon agreement of the Forest Service, due to administrative appeal or litigation, regardless of whether the Unit Manager's order is required by a court order or this contract is named in such a proceeding.
- (b) In the event of an order delaying or interrupting Purchaser's Operations under this Condition & Requirement, Purchaser's remedy shall be:
- (i) a no cost contract extension,
- (ii) reimbursement for Out-of-Pocket Expenses,

however, the foregoing remedies shall be available only to the extent that the Unit Manager's order was the sole and exclusive cause of the delay or interruption of Purchaser's operations.

- (c) Remedies awarded to the Purchaser shall not be duplicative, and the Unit Manager shall have the right to structure remedies provided herein to avoid duplicative compensation.
- (d) Purchaser agrees that this Condition & Requirement, and the remedies provided herein shall apply regardless of any finding by any court that the DNR failed to comply with any statute, regulation and/or policy in connection with awarding, advertising, or authorizing this sale, or a similar sale.

7.5 - Loss

7.5.2 - GNA, liability for loss (7/16)

If Included Timber is destroyed or damaged by an unexpected event that changes the nature of Included Timber, such as wind, flood, insects, disease, or similar cause, the Purchaser shall bear the timber value loss resulting from such destruction or damage.

Deterioration or loss of timber value due to delay or interruption under 7.3.4 - GNA, contract suspension and modification, shall be borne by the party holding title. In this event, Included Timber to which USDA Forest Service holds title, Purchaser of the State GNA contract will not be obligated to remove and pay for such timber. This Subsection shall not be construed to relieve either party of liability for negligence.

7.10 - Certified Timber

7.10.1 - Non-certified timber (2/16)

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 belong to the National Forest system and are being managed by the State as part of a Good Neighbor Authority (GNA) agreement.

Section Name: Sale Specific Current as of 8/30/2023 3:26:12PM





