

# DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN TIMBER SALE PROSPECTUS #7314

SCHEDULED SALE DATE AND TIME: 9:00 a.m. (local time) on November 13, 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:

Comp 170 HDWD (72-004-22) / T28N, R04W, SEC. 8, NE.

Crawford County, Advertised Price \$9,466.60, 44.4 Acres, Hardwood, Red Oak.

SALE NOTE: Sale had no bids twice. Sale went no bid again after dropping sale 20%. Sale has now been dropped an additional 30%.

Mixed Hardwood pulp contains beech, maple, and ironwood.

## TIMBER SALE INFORMATION

# Comp 170 HDWD (72-004-22) T28N, R04W, SEC. 8.

Crawford County (Advertised Price \$9,466.60)

SALE NOTE: Sale had no bids twice. Sale went no bid again after dropping sale 20%. Sale has now been dropped an additional 30%. Mixed Hardwood pulp contains beech, maple, and ironwood.

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	<b>ESTIMATE</b>	ED UNITS*	<u>ADV</u>	ERTISED PRICE
Sawtimber				
Beech	8.4	MBF	\$	36.00 / MBF
Red Maple	51.9	MBF	\$	36.00 / MBF
Red Oak	19.0	MBF	\$	48.00 / MBF
Sugar Maple	5.4	MBF	\$	105.00 / MBF
Pulpwood				
Mixed Hardwood	526	Cords	\$	10.40 / Cord
Paper Birch	6	Cords	\$	7.15 / Cord
Quaking Aspen	22	Cords	\$	9.95 / Cord
Red Oak	9	Cords	\$	9.40 / Cord

<sup>\*</sup> The total volume is statistically estimated within plus (+) or minus (-) 30.19 percent. There are an estimated 831 cords on this timber sale, plus or minus 251 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 \$473.33 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	15.8%
02	6.3%
03	77.9%

- 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	
65,620	831	30.19%	580	1,081	

# **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
376	47,503	601	24.45%	454	748
378	5,691	72	44.99%	40	104
379	12,425	157	28.88%	112	203
TOTAL:	65,620	831		606	1,055

# **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
376	15.8	3	15.8
378	12.9	2	12.9
379	15.7	1	15.7
TOTAL:	44.4		44.4

# **DESCRIPTION OF TIMBER BY PU (PU)**

PU	MARKET GROUP	PRODUCT	QUANTITY	UNIT	ACRES	ADVERTISE PRICE
1	Red Maple	Sawtimber	3.0	MBF	15.7	\$1,496.35
	Sugar Maple		0.6	MBF		
	Mixed Hardwood	Pulpwood	115	Cords		
	Ironwood		21	Cords		
	Red Maple		7	Cords		
	Sugar Maple		87	Cords		
	Quaking Aspen		13	Cords		
	Quaking Aspen	Sawtimber	2.4	MBF		
	Quaking Aspen	Pulpwood	8	Cords		
2	Red Maple	Sawtimber	0.5	MBF	12.9	\$600.40
	Mixed Hardwood	Pulpwood	56	Cords		
	Red Maple		3	Cords		
	Sugar Maple		53	Cords		
3	Beech	Sawtimber	8.4	MBF	15.8	\$7,369.85
	Red Maple		48.4	MBF		
	Red Oak		19.0	MBF		
	Sugar Maple		4.8	MBF		
	Mixed Hardwood	Pulpwood	355	Cords		
	Beech		8	Cords		
	Red Maple		150	Cords		
	Sugar Maple		197	Cords		
	Paper Birch		6	Cords		
	Quaking Aspen		9	Cords		
	Quaking Aspen		9	Cords		
	Red Oak		9	Cords		
		TOTAL:	84.7	MBF		
_		TOTAL:	563	Cords		

# Sale Specific Conditions & Requirements

Sale Name: Comp 170 HDWD Sale Number: 72-004-22 Seq#: 4

#### 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, red and yellow paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. The south boundary of Payment Unit 3 is unpainted and designated by an unnamed forest access route. 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 painted boundary line trees are not Included Timber and are to be protected unless marked with orange 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) 3, cut all trees that are two (2) inches or more at DBH except do not cut trees greater than 26" DBH. Special protection trees identified in accordance with condition 3.4.2, within clearcutting unit boundaries, are not Included Timber and are to be protected.

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

Within Payment Unit(s) 1 and 2, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

#### 2.2 - Utilization

# 2.2.4 - Skidding length (2/14)

Skidding of unlimbed tops or lengths over 17 feet is not permissible unless approved by the Unit Manager or his/her representative.

# 2.2.7 - Uncut designated trees (2/04)

Liquidated damages of \$5.00 per tree will be assessed for every marked tree not cut.

## 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 Amendment. There will be only one division per Payment Unit.

## 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. 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, or at a rate of \$100 per sawtimber tree and \$50 per pole sized tree, whichever is greater.

#### 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 trees over 26" DBH. 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

# 4.1.3 - 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, utilized or otherwise removed from the sale.

#### 4.1.4 - Timber removed for construction (12/09)

Trees cut or damaged in the process of pre-approved road, landing or skid trail construction will be decked in an area separate from other Designated Timber and not removed until measured by the sale administrator. Payment will be made at the specified Purchase Unit Price.

## 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 chipped, utilized or otherwise removed from the sale. 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. 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.

## 4.1.11 - Permits (2/12)

The Purchaser will secure any necessary permits that may be required.

## 5 - Operations

#### 5.1 - Notification

# 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.

#### 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

# 5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1 and 2, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

## 5.2.3.5 - Oak wilt restriction (1/18)

Within Payment Unit(s) 1, 2, and 3 unless changed by written agreement, 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. Operations may be allowed if specific steps are taken to prevent damaging uncut oak during the high risk period. Those steps may include completing all road brushing before April 15th and clearing a tree-length buffer along uncut oak cover before April 15th. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

## 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.

## 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.

#### 5.7 - Protection of Historical Sites

# 5.7.2 - Potential historical site(s) (9/06)

The State Historic Preservation Office has identified the potential for a historic site within the boundary of this timber sale. Note that if the site is discovered during operations, General Condition and Requirement 5.7 - Protection of Historical Sites will apply.

# 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 access routes 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.

Section Name: Sale Specific Current as of 3/8/2023 9:45:41AM

