



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN THE FOLLOWING AREA:
AITKIN AREA

STATUS: COMPLETED
REGULAR AUCTION - SALE #1
SEALED BID

Notice is hereby given that I offered for sale by sealed bid auction, timber belonging to the State of Minnesota. Bid forms were required to be submitted at the address listed on the bid form prior to 2:00 PM on Friday, June 10, 2016. All tracts were awarded at the Long Lake Conservation Center at 8:45 AM on June 13, 2016 in Palisade, MN.

All of the timber offered was SFI and FSC certified.

The following pages list the lands upon which the timber was located, the estimated quantities of timber offered, the appraised prices, and the bid prices.



The resource management of the Minnesota DNR's state forests and wildlife management areas meets the objectives of the SFI ® program (Certificate No. NSF-SFI-FM-6Y921) and the principles of the FSC ® certification standard (Certificate No. SCS-FM/COC-00088N).

FSC
100%



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY
REGULAR AUCTION
SEALED BID TIMBER SALE
AITKIN AREA

**SEALED BIDS MUST BE RECEIVED PRIOR TO
2:00 PM on June 10, 2016**

**Bids will be awarded at the following location:
Long Lake Conservation Center at 8:45 AM on June 13, 2016 in Palisade, MN**

TERMS OF SALE

- This auction sale will be held according to Minnesota Statutes Sections 90.101 and 90.14. Timber shall be offered and sold by the same unit of measure as it was appraised. Sale shall be made to the responsible bidder who bids the highest price for all timber species advertised for bidding on each tract. Bids must be submitted on bid forms provided by the State, each bid must be sealed in a separate envelope, the envelope must be clearly marked with the tract number and bidder's name on the outside of the envelope. Bid forms may be obtained from the Forestry Area Office(s) listed above. Bids may be submitted by mail or in person at any time during regular business hours prior to the bid submission deadline (June 10, 2016). Any or all bids may be rejected and sales canceled for good and sufficient reasons.

REGISTRATION AND ELIGIBLE BIDDERS

- Interested persons must be registered at least four (4) business days prior to the auction by submitting an *Annual Timber Sales Purchaser Registration* form. No bid will be accepted from anyone having a delinquent timber sale or trespass account or a willful timber trespass with any public agency in Minnesota, or from anyone who does not qualify as a Responsible Bidder as defined in Minnesota Statutes § 90.01 (12), or from anyone who has been debarred for cause by any public agency [M.S. § 90.041 (11)].

ADVANCE PAYMENT

- The advance payment of fifteen (15) percent of the appraised value of the timber is due within fourteen (14) days from the bid award date. Advance payments will not be accepted with the bid. Failure to provide the advance payment within 14 days of the bid opening date will result in forfeiture of the permit and the purchaser will be held liable for the advance payment. The successful bidders's advance payment will be kept on deposit by the State and applied against any billings for timber.

BID GUARANTEE

- For any bid increase in excess of \$10,000 of the appraised price, a bid guarantee equal to fifteen (15) percent of the total bid price of the timber less the down payment amount is required at the time the permit is signed. If the bid guarantee is not submitted with the signed permit, the permit cancels, and the down payment forfeits to the State. If the permit holder fails to execute an effective permit, the bid guarantee payment forfeits to the State.

PURCHASER AND LOGGER QUALIFICATIONS AND OPERATIONS REQUIREMENTS

- The purchaser or the purchaser's agents, employees, subcontractors, and assigns conducting logging operations on a timber permit must comply with the general industry safety standards for logging (e.g., LogSafe) adopted by the Commissioner of Labor and Industry and provide proof of compliance with these standards. The purchaser or the purchaser's agents, employees, subcontractors, and assigns conducting logging operations on a timber permit must comply with the State of Minnesota mandatory insurance requirements before harvest operations begin. A *Certification of Compliance with the Minnesota Workers' Compensation Law* form must be submitted each year. Before the start of harvest operations, the purchaser must certify that a designated foreperson, who will be supervising active logging operations, has a current certificate of completion from a logger education program (e.g., MLEP or FISTA) approved by the Commissioner of Natural Resources.

SECURITY REQUIRED

- The purchaser must furnish security equal to the total bid value of the permit, LESS the amount paid as an advance payment and bid guarantee. Security can be furnished in the following forms: Corporate surety bond, certified check, cashier's check, personal check, money order, or by signing a Cutting Block Payment Agreement for individual cutting blocks, at least one business day prior to the start of any permit operations. If the purchaser elects to receive a refund of the advance payment and bid guarantee, they must furnish security in a form described above, for one hundred (100) percent of the total bid value of the timber purchased. If the deferred cash payment for cutting blocks is selected, the advance payment and bid guarantee WILL NOT be refunded. If the purchaser elects to secure a permit by prepayment of cutting block(s), they must make a written request on a form provided by the state. No harvesting is permitted until proper security has been furnished to and approved by the Commissioner of Natural Resources or his agent.

PERMIT TERMS

- A permit to harvest and remove the timber from state lands will be issued to the purchaser. NO permit shall be issued to anyone other than the purchaser in whose name the bid was made. All timber purchased on the permit must be harvested prior to the permit expiration date. All permits provide for the continuous identification of timber from the time of cutting until delivery to the consumer. Failure to continuously identify the timber as specified in the permit shall constitute trespass. Also, please note all harvest specifications on each tract being sold. Only one Regular Extension is permitted for exceptional circumstances. An annual interest rate of 5 percent may be charged on a regular extension for the period of the extension.

UNSOLD TRACTS

- On the next regular business day (8:00 AM - 4:30 PM, Monday - Friday, except holidays) after the date of the auction sale, unsold tracts may be available for over-the-counter purchase at the appraised price for a period of no more than one year. Unless canceled for reoffer at an earlier date, unsold tracts will be available until June 10, 2017, at the following Area Headquarters: Aitkin Area.

TRACT B1 COUNTY: AITKIN AREA: AITKIN AREA ACRES: 66.8

Permit Number: B013321
 Expiration Date: 05/31/2019

Purchased By: CTP Chipping Inc.
 Address: 53778 Fir Lane, Sandstone, MN 55072

NENW,NWNE of Section 19; GL03,GL04,NESW,NWSE,SESW,SWSE of Section 18 - Township 45, Range 23W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 225	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN MIXED PRODUCTS	1,420.00	Cd	19.62	27,860.40	63.77	90,553.40
+ RED MAPLE	WOODSRUN CORDWOOD	260.00	Cd	9.18	2,386.80	29.84	7,758.40
+ PAPER BIRCH	WOODSRUN MIXED PRODUCTS	190.00	Cd	9.79	1,860.10	31.82	6,045.80
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$32,107.30	BID TOTAL = \$ 104,357.60	
				ADVANCE PAYMENT =	\$4,816.10		

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 750.40 Tons 1.00 750.40

Mixed Species Description:

Aspen Species Woodsrun Mixed Products includes: Balm of Gilead 1%; Largetooth Aspen 5%; Trembling Aspen 94%.

Mixed Product Description:

Aspen Species Woodsrun Mixed Products includes: Pulpwood 85%; Sawtimber 15%.
 Paper Birch Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%.

Cutting and Felling:

- Full tree skidding may be prohibited by TSA if damage is occurring to advanced regeneration.
- Protect Oak, Sugar Maple, Birch and conifer advanced regeneration wherever possible, and work around areas with heavier concentrations of regen to avoid damage, as directed by TSA.

Season of Operations:

- Conduct sale operations on dry or frozen soil conditions only, except with written permission from State.
- Operate during non-rutting soil conditions. Refer to DNR rutting guidelines.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Aspen avg. is 14"dbh, 7 sticks, and 24 cords/ acre.
 Birch avg. is 10"dbh, 5 sticks, and 5 cords/ acre.
 Red Maple avg. is 8"dbh, 4 sticks, and 5.6 cords/ acre.

Good access from Min. Maint. forest road, however 2 low water crossings will likely need to be modified to allow truck traffic.

Prices reduced 10% due to careful operating needed in order to avoid damaging residual timber and regen.

Price Adjustments:

- Road Construction Costs: 0%
- Haul Distance to Nearest Mill: 0%
- Stand Density: 0%
- Operational Constraints: -10%
- Other Price Factor: 0%

Appraiser:

Andrew J. Kett

(Appraisal ID 11838-0; Cutting Block ID 13767-0)

TRACT B2 COUNTY: AITKIN AREA: AITKIN AREA ACRES: 214.0
 Permit Number: B013322
 Expiration Date: 05/31/2019

Purchased By: Great Northern Logging Inc.
Address: 33403 - 143rd St, Pierz, MN 56364

NENE,NESE,SENE,SWNE of Section 15; NWNW,NWSW of Section 14 - Township 45, Range 27W.
 NWSE,SESE,SWSE of Section 10; SWSW of Section 11; NENE of Section 15 - Township 45, Range 27W.
 NWSW of Section 14; NESE,SESE of Section 15 - Township 45, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 52	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	1,020.00	Cd	21.68	22,113.60	32.95	33,609.00
+ OAK SPECIES	WOODSRUN MIXED PRODUCTS	832.00	Cd	17.09	14,218.88	25.98	21,615.36
+ MAPLE SPECIES	WOODSRUN MIXED PRODUCTS	438.00	Cd	12.42	5,439.96	18.88	8,269.44
+ BASSWOOD	WOODSRUN MIXED PRODUCTS	345.00	Cd	10.09	3,481.05	15.34	5,292.30
ASH	WOODSRUN MIXED PRODUCTS	149.00	Cd	8.47	1,262.03	8.47	1,262.03
PAPER BIRCH	WOODSRUN CORDWOOD	77.00	Cd	10.20	785.40	10.20	785.40
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$47,300.92	BID TOTAL = \$	70,833.53
				ADVANCE PAYMENT =	\$7,095.14		

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 2,750.00 Tons 1.00 2,750.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 85%; Trembling Aspen 15%.
 Maple Species Woodsrun Mixed Products includes: Red Maple 59%; Sugar Maple 41%.
 Oak Species Woodsrun Mixed Products includes: Bur Oak 5%; Red Oak 95%.

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 15%; Pulpwood 76%; Sawtimber 9%.
 Basswood Woodsrun Mixed Products includes: Bolts 14%; Pulpwood 83%; Sawtimber 3%.
 Maple Species Woodsrun Mixed Products includes: Bolts 33%; Pulpwood 67%.
 Oak Species Woodsrun Mixed Products includes: Bolts 36%; Pulpwood 60%; Sawtimber 4%.

Season of Operations:

- Conduct sale operations on dry/ frozen soil conditions only, except with written permission from State (Cutting Blocks 1, 2, and 3).
- Frozen ground access across state (Cutting Blocks 1, 2, and 3).

Sale Conditions:

- Access is across state or private land (Cutting Blocks 1, 2, and 3).
- Permission to cross private land must be obtained by permittee (Cutting Blocks 1, 2, and 3).

Marketing Conditions:

This sale is located 10 miles south of Aitkin on the west edge of the Wealthwood State Forest.

Sale can be accessed directly off of US Hwy 169 via the state snowmobile trail under frozen ground conditions. Or it can be accessed from private with dry summer operations possible.

This is a mixed hardwoods stand with good quality and varying sized wood. The oak and basswood averages 10 inches and 5-6 sticks with some saw material. The maple is 8-10 inches and 4-5 sticks. The aspen is 12-14 inches and 6 sticks.

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%
Operational Constraints: 0%
Other Price Factor: 0%

Appraiser:

Steven Anthony Sovinski

(Appraisal ID 11708-0; Cutting Block ID 13665-0, 13686-0, 13702-0)

TRACT B3	COUNTY: AITKIN	AREA: AITKIN AREA	ACRES: 85.0
-----------------	----------------	-------------------	-------------

Permit Number: B013323
 Expiration Date: 05/31/2019

Purchased By: Martin O. Johnson
Address: 10298 - 480th St, Tamarack, MN 55787

GL03, GL04, SWNW of Section 2; GL03, NESW, NWSE, SENW, SWNE, SWNW of Section 1 - Township 48, Range 22W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 188	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	2,047.00	Cd	22.61	46,282.67	65.12	133,300.64
+ NORTHERN HARDWOODS	WOODSRUN CORDWOOD	387.00	Cd	9.10	3,521.70	26.21	10,143.27

+ BID SPECIES	* SOLD ON APPRAISED VOLUME	APPRAISED TOTAL =	\$49,804.37	BID TOTAL = \$ 143,443.91
		ADVANCE PAYMENT =	\$7,470.66	

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES	BIOMASS	1,428.00 Tons	1.00	1,428.00
--------------------	---------	---------------	------	----------

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 4%; Largetooth Aspen 1%; Trembling Aspen 95%.
 Northern Hardwoods Woodsrun Cordwood includes: Ash 20%; Basswood 40%; Paper Birch 20%; Red Maple 10%; Sugar Maple 10%.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Permit area is located on the south side of the "Old 2 Road" north of Tamarack. Harvest areas are in two different areas, one of which is close to a ground water monitoring site, the other is farther east. Aspen is averaging 8-12 inches in diameter, 6 sticks. Areas on swamp edge have some BAM mixed in. Other hardwoods on sale are poor-fair quality with a wide range of sizes.

Price Adjustments:

Road Construction Costs: +5%
 Haul Distance to Nearest Mill: +5%
 Stand Density: 0%
 Operational Constraints: 0%
 Other Price Factor: 0%

Appraiser:

Derek Duane Wagner

TRACT B4

COUNTY: AITKIN

AREA: AITKIN AREA

ACRES: 51.0

Permit Number: B013324
Expiration Date: 05/31/2019

Purchased By: Michael H. Rieger
Address: 61559 Co. Road 26, Northome, MN 56661

GL02, GL03, GL04, NWSE, SWSE of Section 6 - Township 49, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 68	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	1,100.00	Cd	25.79	28,369.00	43.33	47,663.00
+ NORTHERN HARDWOODS	WOODSRUN MIXED PRODUCTS	150.00	Cd	11.79	1,768.50	19.81	2,971.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$30,137.50	BID TOTAL = \$ 50,634.50
				ADVANCE PAYMENT =		\$4,520.63	

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 5%; Trembling Aspen 95%.
Northern Hardwoods Woodsrun Mixed Products includes: Basswood 62%; Paper Birch 26%; Red Maple 12%.

Mixed Product Description:

Northern Hardwoods Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%.

Season of Operations:

- Conduct sale operations on frozen ground soil conditions only, except with written permission from State.

Landings Roads and Trails:

- Obtain permit from county for travel on the SOO grade trail.

Marketing Conditions:

Access is along the county soo grade recreational trail, county permission is required.
Winter harvest only.
24 cords/ acre Aspen

Price Adjustments:

Road Construction Costs: +10%
Haul Distance to Nearest Mill: 0%
Stand Density: +10%
Operational Constraints: 0%
Other Price Factor: 0%

Appraiser:

Brian K. Pisarek

TRACT B5

COUNTY: AITKIN

AREA: AITKIN AREA

ACRES: 137.0

Permit Number: B013325
Expiration Date: 05/31/2019

Purchased By:
Address:

UNSOLD

NENE,NWNE of Section 36; NESE,NWSE,SENE,SESE,SESW,SWSE of Section 25 - Township 52, Range 25W.
GL03,GL04 of Section 30 - Township 52, Range 24W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TAMARACK	WOODSRUN CORDWOOD	2,655.00	Cd	5.10	13,540.50	5.10	13,540.50
ANY LISTED SPECIES	BIOMASS	745.00	Tons	1.00	745.00	1.00	745.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$14,285.50	BID TOTAL = \$ 14,285.50
				ADVANCE PAYMENT =		\$2,142.83	

Marketing Conditions:

Sale Location: From Hill City go east on highway 200, 6.5 miles to the Washburn Lake SFR. Sale is 4.2 miles south on the Washburn Lake road, directly off the road.

Average tree: 7-8"; 4-5 Stick.

Winter Wood

Sale cruised by Jeff Nelson and Krista Starn.

Price Adjustments:

- Road Construction Costs: 0%
- Haul Distance to Nearest Mill: 0%
- Stand Density: 0%
- Operational Constraints: 0%
- Other Price Factor: 0%

Appraiser:

Matthew P. Huseby

(Appraisal ID 11911-3; Cutting Block ID 13979-5)

Harvest specifications and additional information about each tract may be obtained upon request from the following DNR Area Forestry Office:

AITKIN AREA

The right is reserved to reject any and all bids.

For the Commissioner
MINNESOTA DEPARTMENT OF NATURAL RESOURCES

By: _____
Authorized Signature
Division Of Forestry
Dated: June 10, 2016

- SUMMARY SHEET -

06/10/2016 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 12/26/2017

AITKIN AREA

SUMMARY FOR SOLD TRACTS

<u>PRODUCT</u>	<u>SPECIES</u>	<u>TOTAL VOLUME</u>	<u>UNIT</u>	<u>SOLD AVERAGE UNIT PRICE</u>	<u>TOTAL SOLD \$ VALUE</u>
WOODSRUN MIXED PRODUCTS	ASH	149.00	Cd	8.47	1,262.03
	ASPEN SPECIES	1,420.00	Cd	63.77	90,553.40
	PAPER BIRCH	190.00	Cd	31.82	6,045.80
	MAPLE SPECIES	438.00	Cd	18.88	8,269.44
	NORTHERN HARDWOODS	150.00	Cd	19.81	2,971.50
	BASSWOOD	345.00	Cd	15.34	5,292.30
	OAK SPECIES	832.00	Cd	25.98	21,615.36
WOODSRUN CORDWOOD	ASPEN SPECIES	4,167.00	Cd	51.49	214,572.64
	PAPER BIRCH	77.00	Cd	10.20	785.40
	NORTHERN HARDWOODS	387.00	Cd	26.21	10,143.27
	RED MAPLE	260.00	Cd	29.84	7,758.40
BIOMASS	ANY LISTED SPECIES (optional)	4,928.40	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 8,415.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 159,350.09
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 369,269.54
TOTAL ACRES SOLD: 416.8
SOLD TRACT NUMBERS: 1, 2, 3, 4
TOTAL NUMBER OF TRACTS SOLD: 4

SUMMARY FOR UNSOLD TRACTS

<u>PRODUCT</u>	<u>SPECIES</u>	<u>TOTAL VOLUME</u>	<u>UNIT</u>	<u>APPRAISED AVERAGE UNIT PRICE</u>	<u>APPRAISED \$ VALUE</u>
WOODSRUN CORDWOOD	TAMARACK	2,655.00	Cd	5.10	13,540.50
BIOMASS	ANY LISTED SPECIES	745.00	Tons	1.00	745.00

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 2,655.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 14,285.50
TOTAL ACRES UNSOLD: 137.0
UNSOLD TRACT NUMBER: 5
TOTAL NUMBER OF TRACTS UNSOLD: 1