



MINNESOTA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF FORESTRY

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

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**STATUS: COMPLETED**  
**REGULAR AUCTION - SALE #3**  
**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 Monday, June 13, 2016. All tracts were awarded at the Orr American Legion at 8:45 AM on June 14, 2016 in Orr, 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  
TOWER AREA

**SEALED BIDS MUST BE RECEIVED PRIOR TO  
2:00 PM on June 13, 2016**

**Bids will be awarded at the following location:  
Orr American Legion at 8:45 AM on June 14, 2016 in Orr, 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 13, 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 13, 2017, at the following Area Headquarters: Tower Area.

**TRACT B1**

**COUNTY: LAKE**

**AREA: TOWER AREA**

**ACRES: 155.6**

Permit Number: B013341  
Expiration Date: 05/31/2019

Purchased By:  
Address:

# UNSOLD

NENE,NENW,NESE,NWNE,NWNW,NWSE,SENE,SESE,SWSE of Section 16; NWSE of Section 8; SWSW of Section 10 - Township 62, Range 11W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID:	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	1,055.00	Cd	10.49	11,066.95	10.49	11,066.95
+ ASPEN SPECIES	WOODSRUN CORDWOOD	580.00	Cd	14.09	8,172.20	14.09	8,172.20
	TAMARACK	280.00	Cd	3.32	929.60	3.32	929.60
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	190.00	Cd	12.88	2,447.20	12.88	2,447.20
	NORTHERN HARDWOODS	150.00	Cd	6.63	994.50	6.63	994.50
	BALSAM FIR	35.00	Cd	8.29	290.15	8.29	290.15
+ BID SPECIES      * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$23,900.60	BID TOTAL = \$	23,900.60
				ADVANCE PAYMENT =	\$3,585.09		

**Mixed Species Description:**

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 65%; Trembling Aspen 35%.  
Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 90%; White Spruce 10%.  
Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 90%; Red Maple 10%.  
Pine Species Woodsrun Mixed Products includes: Jack Pine 70%; Norway Pine 30%.

**Mixed Product Description:**

Mixed Spruce Woodsrun Mixed Products includes: Bolts 15%; Pulpwood 85%.  
Pine Species Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%.

**Marketing Conditions:**

Spruce averages 5-11" DBH and 3-5 sticks  
Aspen averages 8-14" DBH and 4-6 sticks  
Pine averages 10-14" DBH and 5-7 sticks  
Tamarack averages 6-10" DBH and 4-5 sticks  
Price reduced by 35% due to Lake County discount

**Price Adjustments:**

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

**Appraiser:**

Brody J. Geiselman

**TRACT B2**

**COUNTY: ST. LOUIS**

**AREA: TOWER AREA**

**ACRES: 89.0**

Permit Number: B013342  
Expiration Date: 05/31/2019

Purchased By:  
Address:

# UNSOLD

NWSW of Section 14; NESE,NWSE,SWNE of Section 15 - Township 63, Range 17W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	830.00	Cd	21.45	17,803.50	21.45	17,803.50
+ NORTHERN HARDWOODS	WOODSRUN CORDWOOD	425.00	Cd	11.69	4,968.25	11.69	4,968.25
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	65.00	Cd	34.49	2,241.85	34.49	2,241.85
BALSAM FIR	WOODSRUN CORDWOOD	50.00	Cd	13.86	693.00	13.86	693.00
ANY LISTED SPECIES	BIOMASS	720.00	Tons	1.00	720.00	1.00	720.00

+ BID SPECIES      \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL =	\$26,426.60	BID TOTAL = \$	26,426.60
ADVANCE PAYMENT =	\$3,963.99		

### Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 10%; Trembling Aspen 90%.  
Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 99%; Red Maple 1%.

### Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 55%; Pulpwood 20%; Sawtimber 25%.

### Marketing Conditions:

Large but sparse aspen and Norway pine. The Norway pine average 19 inches DBH and the Aspen average about 17 inches DBH. The average basal area is 50 square feet.

### Price Adjustments:

Road Construction Costs: -5%  
Haul Distance to Nearest Mill: 0%  
Stand Density: -10%  
Operational Constraints: 0%  
Other Price Factor: 0%

### Appraiser:

Christine Ann Martin

(Appraisal ID 11972-1; Cutting Block ID 14025-4)

**TRACT B3** COUNTY: KOOCHICHING AREA: TOWER AREA ACRES: 123.9

Permit Number: B013343  
Expiration Date: 05/31/2019

Purchased By: Boise White Paper LLC  
Address: 400 3rd Ave E, International Falls, MN 56649

SENE of Section 27; NWSE,NWSW,SENW,SESW,SWNE,SWNW of Section 26 - Township 67, Range 22W.  
SESE of Section 22; NWNW of Section 26; NENE,NWNE of Section 27; SWSW of Section 23 - Township 67, Range 22W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 163	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	5,665.00	Cd	23.85	135,110.25	62.73	355,365.45
+ BALSAM FIR	WOODSRUN CORDWOOD	650.00	Cd	14.03	9,119.50	36.90	23,985.00
MIXED SPRUCE	WOODSRUN CORDWOOD	200.00	Cd	13.60	2,720.00	13.60	2,720.00
NORTHERN HARDWOODS	WOODSRUN CORDWOOD	190.00	Cd	10.20	1,938.00	10.20	1,938.00
JACK PINE	WOODSRUN CORDWOOD	85.00	Cd	11.90	1,011.50	11.90	1,011.50

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$149,899.25  
ADVANCE PAYMENT = \$22,484.89  
BID TOTAL = \$ 385,019.95

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

ANY LISTED SPECIES BIOMASS 3,170.00 Tons 1.10 3,487.00

**Mixed Species Description:**

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 10%; Trembling Aspen 90%.  
Mixed Spruce Woodsrun Cordwood includes: Black Spruce 62%; White Spruce 38%.  
Northern Hardwoods Woodsrun Cordwood includes: Ash 1%; Paper Birch 91%; Red Maple 8%.

**Cutting and Felling:**

- Biomass will only include limbs and tops of harvestable species (Cutting Blocks 1 and 2).

**Season of Operations:**

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

**Sale Conditions:**

- Access is across state land (Cutting Blocks 1 and 2).

**Marketing Conditions:**

Aspen averages approx 14 inch DBH, and 8 sticks

**Price Adjustments:**

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

**Appraiser:**

Steven W. Horndt

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

TOWER AREA - ORR FIELD STATION

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 13, 2016

- SUMMARY SHEET -

06/13/2016 REGULAR AUCTION - SALE #3

COMPLETED - DATA AS OF 12/26/2017

TOWER AREA

**SUMMARY FOR SOLD TRACTS**

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN CORDWOOD	ASPEN SPECIES	5,665.00	Cd	62.73	355,365.45
	NORTHERN HARDWOODS	190.00	Cd	10.20	1,938.00
	JACK PINE	85.00	Cd	11.90	1,011.50
	BALSAM FIR	650.00	Cd	36.90	23,985.00
	MIXED SPRUCE	200.00	Cd	13.60	2,720.00
BIOMASS	ANY LISTED SPECIES (optional)	3,170.00	Tons	-	0.00

**TOTAL SOLD TRACTS CONVERTED TO CORDS:** 6,790.00  
**TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS:** \$ 149,899.25  
**TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:** \$ 385,019.95  
**TOTAL ACRES SOLD:** 123.9  
**SOLD TRACT NUMBER:** 3  
**TOTAL NUMBER OF TRACTS SOLD:** 1

**SUMMARY FOR UNSOLD TRACTS**

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
WOODSRUN MIXED PRODUCTS	PINE SPECIES	190.00	Cd	12.88	2,447.20
	NORWAY PINE	65.00	Cd	34.49	2,241.85
	MIXED SPRUCE	1,055.00	Cd	10.49	11,066.95
WOODSRUN CORDWOOD	ASPEN SPECIES	1,410.00	Cd	18.42	25,975.70
	NORTHERN HARDWOODS	575.00	Cd	10.37	5,962.75
	BALSAM FIR	85.00	Cd	11.57	983.15
	TAMARACK	280.00	Cd	3.32	929.60
BIOMASS	ANY LISTED SPECIES	720.00	Tons	1.00	720.00

**TOTAL UNSOLD TRACTS CONVERTED TO CORDS:** 3,660.00  
**TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS:** \$ 50,327.20  
**TOTAL ACRES UNSOLD:** 244.6  
**UNSOLD TRACT NUMBERS:** 1, 2  
**TOTAL NUMBER OF TRACTS UNSOLD:** 2