



MINNESOTA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF FORESTRY

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

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**STATUS: COMPLETED**  
**REGULAR AUCTION - SALE #1**  
**ORAL BID**

Notice is hereby given that I offered for sale at public auction in Onamia, MN at 10:00 AM on Thursday, September 15, 2016, timber belonging to the State of Minnesota. All tracts were offered at the Onamia Forestry Field Station in Onamia, 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  
ORAL BID TIMBER SALE  
LITTLE FALLS AREA

10:00 AM on September 15, 2016  
Onamia Forestry Field Station in Onamia, 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. Bidding above the appraised price shall be by increments of one (1) percent or more. The percent bid up will be added to the appraised price of each species indicated as a bid species by a plus symbol (+) on the Notice of Sale. 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)].

**DOWN PAYMENT**

- Purchasers of timber must pay a down payment of fifteen (15) percent of the appraised value of the timber at the time the purchaser's bid is approved. The down payment will be kept on deposit by the State and applied against any billings for timber. The purchaser may elect to have the down payment refunded if they post security for one hundred (100) percent of the bid price of the timber (see Security Required). If the purchaser does not sign the permit document within 45 days of sale, the down payment will forfeit to the State. A permit signature extension of 10 business days may be granted, provided the purchaser pays a \$200 penalty.

**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 a down payment and bid guarantee. Security can be furnished in the following forms: Corporate surety bond, Letter of Credit, 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 down 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 down 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 September 15, 2017, at the following Area Headquarters: Little Falls Area.

**TRACT B1** COUNTY: KANABEC AREA: LITTLE FALLS AREA ACRES: 55.3

Permit Number: B013397  
Expiration Date: 05/31/2020

Purchased By: Futurewood Corp  
Address: 9676 N Kruger Rd, Hayward, WI 54843

GL04,NESE,NESW,NWSE,SENE,SESE,SESW,SWSE of Section 36 - Township 40, Range 25W.  
NWNW,SWNW of Section 1 - Township 39, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 41	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	690.00	Cd	17.34	11,964.60	24.45	16,870.50
+ RED MAPLE	WOODSRUN CORDWOOD	153.00	Cd	8.16	1,248.48	11.51	1,761.03
* BASSWOOD	WOODSRUN CORDWOOD	105.00	Cd	6.80	714.00	6.80	714.00
* ASH	WOODSRUN CORDWOOD	45.00	Cd	4.76	214.20	4.76	214.20
* PAPER BIRCH	WOODSRUN CORDWOOD	24.00	Cd	8.16	195.84	8.16	195.84

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$14,337.12  
ADVANCE PAYMENT = \$2,150.57  
BID TOTAL = \$ 19,755.57

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

ANY LISTED SPECIES BIOMASS 599.00 Tons 0.80 479.20

**Cutting and Felling:**

- Harvest all aspen, birch, and maple (Cutting Block 2).
- Harvest all aspen, birch, maple, basswood, and ash greater than 2" dbh (Cutting Block 1).
- Harvest aspen, birch, maple, and ash (Cutting Block 3).
- Reserve all oak, elm, cherry, butternut, and basswood (Cutting Block 2).
- Reserve all oak, elm, cherry, butternut, and white pine (Cutting Block 1).
- Reserve oak, elm, tamarack, and basswood (Cutting Block 3).

**Season of Operations:**

- No sale operations allowed between March 15th and December 15th , without written permission from State (Cutting Blocks 1, 2, and 3).
- No sale operations allowed during firearms / muzzleloader deer seasons (Cutting Blocks 1, 2, and 3).

**Site, Soil and Water Protection:**

- This site is infested with buckthorn and honeysuckle and logging equipment can move invasive plants within a stand, to other harvest sites or along rights of way. Keep access routes and landings out of infested areas as noted in the sale documents (Cutting Blocks 2 and 3).
- This site is infested with buckthorn and other invasive plants and logging equipment can move invasive plants within a stand, to other harvest sites or along rights of way. Keep access routes and landings out of infested areas as noted in the sale documents (Cutting Block 1).

**Marketing Conditions:**

Aspen averages 6 sticks.

**Price Adjustments:**

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

**Appraiser:**

Anthony L. Miller



**TRACT B2**

**COUNTY: MILLE LACS**

**AREA: LITTLE FALLS AREA**

**ACRES: 148.9**

Permit Number: B013398  
Expiration Date: 05/31/2019

**Purchased By:** Timberline Trucking Inc.  
**Address:** 11085 - 330th Street, Onamia, MN 56359

NENE,NENW,NWNE,SENE,SWNE of Section 3 - Township 39, Range 26W.  
NENW,NWNW,SENW,SWNW of Section 3; NENE,NESE,SENE of Section 4 - Township 39, Range 26W.  
NESE,SESE,SWSE of Section 34 - Township 40, Range 26W.  
NESW,NWSW,SENW of Section 34 - Township 40, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	1,350.00	Cd	14.53	19,615.50	14.53	19,615.50
+ WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	1,117.00	Cd	13.47	15,045.99	13.47	15,045.99
+ RED MAPLE	WOODSRUN CORDWOOD	179.00	Cd	9.18	1,643.22	9.18	1,643.22
+ RED OAK	WOODSRUN MIXED PRODUCTS	140.00	Cd	16.10	2,254.00	16.10	2,254.00
+ BASSWOOD	WOODSRUN MIXED PRODUCTS	105.00	Cd	8.26	867.30	8.26	867.30
BUR OAK	WOODSRUN MIXED PRODUCTS	100.00	Cd	15.79	1,579.00	15.79	1,579.00
* ASH	WOODSRUN CORDWOOD	84.00	Cd	5.36	450.24	5.36	450.24
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	35.00	Cd	19.89	696.15	19.89	696.15
* PAPER BIRCH	WOODSRUN CORDWOOD	12.00	Cd	9.18	110.16	9.18	110.16
ANY LISTED SPECIES	BIOMASS	1,725.00	Tons	0.90	1,552.50	0.90	1,552.50
+ BID SPECIES      * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$43,814.06	BID TOTAL = \$	43,814.06
				ADVANCE PAYMENT =	\$6,572.11		

**Mixed Product Description:**

Basswood Woodsrun Mixed Products includes: Bolts 9%; Pulpwood 91%.  
Bur Oak Woodsrun Mixed Products includes: Bolts 33%; Pulpwood 67%.  
Norway Pine Woodsrun Mixed Products includes: Bolts 50%; Pulpwood 50%.  
Red Oak Woodsrun Mixed Products includes: Bolts 38%; Pulpwood 62%.  
White Spruce Woodsrun Mixed Products includes: Bolts 25%; Pulpwood 75%.

**Cutting and Felling:**

- Multiple cutting block sale, see individual cutting blocks for specifications (Cutting Blocks 1, 2, 3, and 4).
- On the eastside of the road in the spruce clear-cut area retain two 25' by 25' islands spaced evenly across the cutting area (Cutting Block 1).

**Season of Operations:**

- Frozen ground access only (Cutting Block 2).

**Landings Roads and Trails:**

- Recreation trail may be used as access (Cutting Block 4).

**Sale Conditions:**

- Access is across state land (Cutting Blocks 1, 2, 3, and 4).

**Marketing Conditions:**

Good timber avg size 6 Stick average on hdwds, 5-6 on soft woods

**Price Adjustments:**

Road Construction Costs: 0%

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

**Appraiser:**

Mark A. Anderson

(Appraisal ID 12211-0; Cutting Block ID 14284-0, 3718-0, 14278-0, 14277-0)

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**TRACT B3**

**COUNTY: KANABEC**

**AREA: LITTLE FALLS AREA**

**ACRES: 27.8**

Permit Number: B013399  
Expiration Date: 05/31/2019

**Purchased By:** Futurewood Corp  
**Address:** 9676 N Kruger Rd, Hayward, WI 54843

NENE,NWNE,SENE,SWNE of Section 16 - Township 40, Range 25W.  
NESW,NWSE,SENW,SWNE of Section 16 - Township 40, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 41	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	565.00	Cd	21.68	12,249.20	30.57	17,272.05
* RED MAPLE	WOODSRUN CORDWOOD	77.00	Cd	10.20	785.40	10.20	785.40
* BASSWOOD	WOODSRUN CORDWOOD	62.00	Cd	8.50	527.00	8.50	527.00
* ASH	WOODSRUN CORDWOOD	23.00	Cd	5.95	136.85	5.95	136.85
* PAPER BIRCH	WOODSRUN CORDWOOD	21.00	Cd	10.20	214.20	10.20	214.20

+ BID SPECIES      \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL =	\$13,912.65	BID TOTAL = \$	18,935.50
ADVANCE PAYMENT =	\$2,086.90		

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

* ANY LISTED SPECIES	BIOMASS	430.00	Tons	1.00	430.00
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**Cutting and Felling:**

- Harvest all aspen, maple, paper birch, basswood, and ash (Cutting Blocks 1 and 2).
- Reserve all oak, elm, and conifers (Cutting Blocks 1 and 2).

**Season of Operations:**

- No sale operations allowed between March 15 and December 15 , without written permission from State (Cutting Blocks 1 and 2).
- Frozen ground access only (Cutting Blocks 1 and 2).

**Sale Conditions:**

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

**Marketing Conditions:**

Aspen averages 6 sticks per tree.  
Trails are available for access.

**Price Adjustments:**

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

**Appraiser:**

Robert M. Gajewski

**TRACT B4** COUNTY: MILLE LACS AREA: LITTLE FALLS AREA ACRES: 47.6

Permit Number: B013400  
 Expiration Date: 05/31/2019

**Purchased By:** Nelson Forest Products Inc.  
**Address:** 9533 367th Street, Mora, MN 55056

NENE of Section 22; NWNW of Section 23 - Township 41, Range 26W.  
 NENW,NWNW of Section 13 - Township 41, Range 26W.  
 NENW of Section 23 - Township 41, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	355.00	Cd	16.00	5,680.00	16.00	5,680.00
+ OAK SPECIES	WOODSRUN MIXED PRODUCTS	140.00	Cd	17.55	2,457.00	17.55	2,457.00
+ NORTHERN HARDWOODS	WOODSRUN CORDWOOD	130.00	Cd	10.20	1,326.00	10.20	1,326.00
+ BASSWOOD	WOODSRUN MIXED PRODUCTS	120.00	Cd	9.50	1,140.00	9.50	1,140.00
GREEN ASH	WOODSRUN MIXED PRODUCTS	60.00	Cd	7.15	429.00	7.15	429.00
* PAPER BIRCH	WOODSRUN CORDWOOD	10.00	Cd	10.20	102.00	10.20	102.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$11,134.00	BID TOTAL = \$ 11,134.00
				ADVANCE PAYMENT =		\$1,670.10	

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

ANY LISTED SPECIES BIOMASS 460.00 Tons 1.00 460.00

**SOAV Option:**

Sold on Appraised Volume (SOAV) option is available. If elected, Permittee must sign option agreement on date of permit purchase.

**Mixed Species Description:**

Northern Hardwoods Woodsrun Cordwood includes: Red Maple 58%; Sugar Maple 42%.  
 Oak Species Woodsrun Mixed Products includes: Bur Oak 53%; Red Oak 47%.

**Mixed Product Description:**

Basswood Woodsrun Mixed Products includes: Bolts 15%; Pulpwood 86%.  
 Green Ash Woodsrun Mixed Products includes: Bolts 16%; Pulpwood 84%.  
 Oak Species Woodsrun Mixed Products includes: Bolts 33%; Pulpwood 67%.

**Cutting and Felling:**

- Fell timber progressively as designated by the TSA (Cutting Blocks 1, 2, and 3).
- No harvested products can be left on site past March 30th without written permission from the State (Cutting Blocks 1, 2, and 3).

**Season of Operations:**

- No sale operations allowed during firearms / muzzleloader deer seasons (Cutting Blocks 1, 2, and 3).
- Conduct sale operations on frozen soil conditions only, except with written permission from State (Cutting Blocks 1, 2, and 3).
- Frozen ground access only (Cutting Blocks 1, 2, and 3).

**Marketing Conditions:**

Block 1 - Aspen and Northern Hardwood Clearcut  
 Aspen - 12 cds/ac, 7"-22" DBH Range  
 Maple Sp - 3 cds/ac, 8"-13" DBH



Basswood - 1cd/ac, 9'-14" DBH  
Block 2 - Stand Thinning  
Aspen Sp - 5 cds/ac, 6"-14" DBH  
Maple Sp - 4 cds/ac, 6"-13" DBH  
Basswood - 4 cds/ac, 7"-18" DBH  
Oak Sp - 2 cds/ac, 7"-21" DBH  
Block 3 - Strip Thinning  
Maple Sp - 2 cds/ac, 6"-14" DBH  
Basswood - 5cds/ac, 7"-17" DBH  
Oak Sp - 8 cds/ac, 7"-22" DBH  
Ash - 4 cds/ac, 6"-14"

**Price Adjustments:**

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

**Appraiser:**

Andrew J. McGuire

(Appraisal ID 11897-0; Cutting Block ID 13961-0, 13962-0, 13964-0)

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

LITTLE FALLS 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: September 15, 2016

- SUMMARY SHEET -

09/15/2016 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 12/26/2017

LITTLE FALLS AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN MIXED PRODUCTS	BASSWOOD	225.00	Cd	8.92	2,007.30
	OAK SPECIES	140.00	Cd	17.55	2,457.00
	RED OAK	140.00	Cd	16.10	2,254.00
	BUR OAK	100.00	Cd	15.79	1,579.00
	GREEN ASH	60.00	Cd	7.15	429.00
	NORWAY PINE	35.00	Cd	19.89	696.15
	WHITE SPRUCE	1,117.00	Cd	13.47	15,045.99
WOODSRUN CORDWOOD	ASH	152.00	Cd	5.27	801.29
	TREMBLING ASPEN	2,960.00	Cd	20.08	59,438.05
	PAPER BIRCH	67.00	Cd	9.29	622.20
	NORTHERN HARDWOODS	130.00	Cd	10.20	1,326.00
	RED MAPLE	409.00	Cd	10.24	4,189.65
	BASSWOOD	167.00	Cd	7.43	1,241.00
BIOMASS	ANY LISTED SPECIES	1,725.00	Tons	0.90	1,552.50
	ANY LISTED SPECIES (optional)	1,489.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 5,702.00  
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 83,197.83  
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 93,639.13  
TOTAL ACRES SOLD: 279.6  
TOTAL NUMBER OF TRACTS SOLD: 4