



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN THE FOLLOWING AREA:
BEMIDJI 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 1:00 PM on Thursday, January 5, 2017. All tracts were awarded at the Bemidji Area Forestry Office at 1:00 PM on January 5, 2017 in Bemidji, 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
BEMIDJI AREA

**SEALED BIDS MUST BE RECEIVED PRIOR TO
1:00 PM on January 5, 2017**

**Bids will be awarded at the following location:
Bemidji Area Forestry Office at 1:00 PM on January 5, 2017 in Bemidji, 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 (January 5, 2017). 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 January 5, 2018, at the following Area Headquarters: Bemidji Area.

TRACT B1	COUNTY: CLEARWATER	AREA: BEMIDJI AREA	ACRES: 13.0
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Permit Number: B013567
 Expiration Date: 05/31/2018

Purchased By: Gerbracht Logging Inc.
Address: 20405 - 340th St, Bagley, MN 56621

NESE, SENE of Section 10 - Township 145, Range 38W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 111	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	453.00	Cd	8.30	3,759.90	17.51	7,932.03
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$3,759.90	BID TOTAL = \$	7,932.03
				ADVANCE PAYMENT =	\$563.99		

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

ANY LISTED SPECIES	BIOMASS	310.00 Tons	1.00	310.00
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Mixed Species Description:

Aspen Species Woodsrunk Cordwood includes: Balm of Gilead 12%; Trembling Aspen 88%.

Season of Operations:

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

Sale Conditions:

- Access is across private land.
- Permission to cross private land must be obtained by permittee.

Marketing Conditions:

Sale is located approx 13 miles SW of Bagley
 Timber av 6 stick and 8 in dbh
 Due to soils and lack of rd approach, best access from north thru pvt
 Storm damage from July 2016

Price Adjustments:

- Road Construction Costs: 0%
- Haul Distance to Nearest Mill: 0%
- Stand Density: 0%
- Operational Constraints: 0%
- Other Price Factor: -60% (wind damage discount)

Appraiser:

Nick L. Severson

TRACT B2 COUNTY: MAHNOMEN AREA: BEMIDJI AREA ACRES: 143.2

Permit Number: B013568
Expiration Date: 04/01/2018

Purchased By: Dukek Logging Inc.
Address: 23873 Timber Trail Drive, Bemidji, MN 56601

NESW,NWSE,NWSW,SESE,SESW,SWSE,SWSW of Section 1;
NENE,NENW,NESE,NWNE,NWNW,SENE,SESE,SWNE of Section 12 - Township 145, Range 39W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 271	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	1,980.00	Cd	9.50	18,810.00	35.25	69,795.00
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	1,385.00	Cd	8.30	11,495.50	30.79	42,644.15
+ WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	400.00	Cd	7.75	3,100.00	28.75	11,500.00
	MIXED HARDWOODS	10.00	Cd	5.10	51.00	5.10	51.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$33,456.50 BID TOTAL = \$ 123,990.15
 ADVANCE PAYMENT = \$5,018.48

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

ANY LISTED SPECIES	BIOMASS	1,560.00 Tons	1.00	1,560.00
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Mixed Species Description:

Mixed Hardwoods Woodsrun Cordwood includes: Bur Oak 50%; Paper Birch 50%.
Pine Species Woodsrun Mixed Products includes: Jack Pine 65%; Norway Pine 35%.

Mixed Product Description:

Pine Species Woodsrun Mixed Products includes: Bolts 48%; Pulpwood 52%.
White Spruce Woodsrun Mixed Products includes: Bolts 40%; Pulpwood 60%.

Marketing Conditions:

Sale has wind damage from July 2016
Sale is approximately 20 miles sw of Bagley
Base prices reduced due to wind damage
Majority of wind damage is uprooted trees
Tree height and diameter vary depending on each stand affected

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%
Operational Constraints: 0%
Other Price Factor: -60% (salvage blow down wood)

Appraiser:

Nick L. Severson

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

BEMIDJI 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: January 5, 2017

- SUMMARY SHEET -

01/05/2017 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 12/27/2017

BEMIDJI AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN MIXED PRODUCTS	PINE SPECIES	1,980.00	Cd	-	0.00
	WHITE SPRUCE	400.00	Cd	-	0.00
WOODSRUN CORDWOOD	ASPEN SPECIES	453.00	Cd	17.51	7,932.03
	TREMBLING ASPEN	1,385.00	Cd	-	0.00
	MIXED HARDWOODS	10.00	Cd	-	0.00
BIOMASS	ANY LISTED SPECIES (optional)	1,870.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 4,228.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 37,216.40
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 133,482.25
TOTAL ACRES SOLD: 156.2
TOTAL NUMBER OF TRACTS SOLD: 2