



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
REGULAR AUCTION - SALE #1
ORAL BID

Notice is hereby given that I offered for sale at public auction in Park Rapids, MN at 2:00 PM on Tuesday, May 15, 2018, timber belonging to the State of Minnesota. All tracts were offered at the Environmental Education Building in Park Rapids, 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
PARK RAPIDS AREA

2:00 PM on May 15, 2018
Environmental Education Building in Park Rapids, 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 May 15, 2019, at the following Area Headquarters: Park Rapids Area.

TRACT B1

COUNTY: WADENA

AREA: PARK RAPIDS AREA

ACRES: 19.6

Permit Number: B013874
Expiration Date: 05/31/2021

Purchased By: PotlatchDeltic Land & Lumber, LLC
Address: 50518 Co Rd 45, Bemidji, MN 56601

NESW,SENW of Section 16 - Township 138, Range 33W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 45	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	865.00	Cd	57.64	49,858.60	83.58	72,296.70
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$49,858.60	BID TOTAL = \$	72,296.70
				ADVANCE PAYMENT =	\$7,478.79		

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

ANY LISTED SPECIES	BIOMASS	400.00 Tons	1.15	460.00
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Mixed Product Description:

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 43%; Pulpwood 14%; Sawlog-Grade 3 43%.

Season of Operations:

- Operate during non-rutting soil conditions. Refer to DNR rutting guidelines.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Sale is located approximately 1/4 mile south of County Road. 18 on forest road. 0394. This is a final harvest of Norway pine with an average DBH of 13" and averages 7 sticks.

Price Adjustments:

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

Appraiser:

Brian Hoffmann

TRACT B2

COUNTY: HUBBARD

AREA: PARK RAPIDS AREA

ACRES: 80.0

Permit Number: B013875
Expiration Date: 05/31/2021

Purchased By: Edin Logging Inc.
Address: 16568 - 235th Ave, Staples, MN 56479

NENE,NESE,NESW,NWSW,SENW,SESE of Section 9; NESW,NWSE,SESW of Section 10; NWNW,SWNW of Section 15 - Township 139, Range 32W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 71	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	700.00	Cd	24.48	17,136.00	41.86	29,302.00
	TREMBLING ASPEN	30.00	Cd	21.60	648.00	21.60	648.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$17,784.00	BID TOTAL = \$ 29,950.00
				ADVANCE PAYMENT =		\$2,667.60	

Mixed Species Description:

Pine Species Woodsrunk Mixed Products includes: Jack Pine 1%; Norway Pine 99%.

Mixed Product Description:

Pine Species Woodsrunk Mixed Products includes: Bolts 60%; Pulpwood 40%.

Cutting and Felling:

- Harvest every 5th row in stands located in the NENE of Section 9 and in Section 15. Harvest 20% of trees in remaining rows to a final BA of 90 square feet by selecting trees by removing poor quality and suppressed trees to release dominant, well-formed, single topped trees. Selection should provide equal spacing between reserve trees after removal by selecting them systematically throughout cutting area and not in clumps. Aspen should only be removed in access rows or when in direct competition to the crown of a Norway pine tree. All other stands are second thinning. In these areas selectively harvest pine and aspen down to 90 BA based on the same criteria listed for the first thinning.

Season of Operations:

- Operate during non-rutting soil conditions. Refer to DNR rutting guidelines.
- No logging operations between May 1 and October 1 due to Blanding's turtle.

Slash Disposal:

- Forwarding or tree length skidding allowed. Trees may have to be limbed and cut into shorter lengths before skidding.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

This sale is located in the Badoura State Forest near the junction of State highway 64 and State highway 87. Sale area is 75% second thinning and 25% first thinning. Norway pine averages 9" DBH and 4 sticks. Landing space is limited.

Price Adjustments:

- Road Construction Costs: +10%
- Haul Distance to Nearest Mill: +5%
- Stand Density: 0%
- Operational Constraints: -10%
- Other Price Factor: -15% (Due to first thinning and stand density.)

Appraiser:

Kenneth P. Nelson

TRACT B3 COUNTY: BECKER AREA: PARK RAPIDS AREA ACRES: 57.0

Permit Number: B013876
Expiration Date: 05/31/2021

Purchased By: Hooker Logging Inc.
Address: 40109 County Road 3, LaPorte, MN 56461

NESE,NWSE,SENE,SESE,SWNE of Section 36 - Township 141, Range 36W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 44	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	1,055.00	Cd	26.40	27,852.00	38.02	40,111.10
+ OAK SPECIES	WOODSRUN CORDWOOD	150.00	Cd	19.80	2,970.00	28.51	4,276.50
+ NORTHERN HARDWOODS	WOODSRUN CORDWOOD	115.00	Cd	14.14	1,626.10	20.36	2,341.40
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	70.00	Cd	52.48	3,673.60	75.57	5,289.90

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$36,121.70 BID TOTAL = \$ 52,018.90
 ADVANCE PAYMENT = \$5,418.26

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

ANY LISTED SPECIES BIOMASS 650.00 Tons 1.10 715.00

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Ash 1%; Black Cherry 4%; Paper Birch 79%; Sugar Maple 16%.
Oak Species Woodsrun Cordwood includes: Bur Oak 20%; Red Oak 80%.
Pine Species Woodsrun Mixed Products includes: Jack Pine 10%; Norway Pine 90%.

Mixed Product Description:

Pine Species Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 25%; Sawtimber 45%.

Cutting and Felling:

- Harvest aspen, red oak, bur oak, maple, jack pine, cherry, ash and marked red pine.

Season of Operations:

- Operate during non-rutting soil conditions. Refer to DNR rutting guidelines.

Slash Disposal:

- Tightly pile slash in areas designated on map. Lop and scatter slash evenly across the area designated on map.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

This sale is located in the Two Inlets State Forest along 580th Avenue. The aspen varies in size and averages 11" DBH and 5-6 sticks. The oak averages 8" DBH and 2-3 sticks. There are pockets of red pine scattered throughout the sale that are marked for thinning. The red pine average 12" DBH and 5 sticks.

Price Adjustments:

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

Appraiser:

Kyle E. Anderson

TRACT B4 COUNTY: HUBBARD AREA: PARK RAPIDS AREA ACRES: 280.0

Permit Number: B013877
Expiration Date: 05/31/2021

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

NENE,NESE,NWNE,SENE,SESE,SWNE of Section 11; NESE,NWSE,SESE,SWSE of Section 2;
NWNW,NWSW,SWNW,SWSW of Section 12 - Township 142, Range 33W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 46	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	8,500.00	Cd	30.00	255,000.00	43.80	372,300.00
+ RED OAK	WOODSRUN MIXED PRODUCTS	1,200.00	Cd	24.19	29,028.00	35.32	42,384.00
+ NORTHERN HARDWOODS	WOODSRUN CORDWOOD	600.00	Cd	16.38	9,828.00	23.91	14,346.00
BASSWOOD	WOODSRUN MIXED PRODUCTS	20.00	Cd	15.37	307.40	15.37	307.40

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$294,163.40
ADVANCE PAYMENT = \$44,124.51
BID TOTAL = \$ 429,337.40

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

ANY LISTED SPECIES BIOMASS 4,921.00 Tons 1.25 6,151.25

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 67%; Red Maple 33%.

Mixed Product Description:

Basswood Woodsrun Mixed Products includes: Bolts 70%; Pulpwood 30%.
Red Oak Woodsrun Mixed Products includes: Bolts 15%; Pulpwood 85%.

Season of Operations:

- Operate during non-rutting soil conditions. Refer to DNR rutting guidelines.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

This sale is located in the Paul Bunyan State Forest. This sale has very good access off of Spur 1 State Forest Road. The age of the stand is 50 years old. The aspen averages 6 sticks and 10" DBH. The red oak averages 4-5 sticks and 10" DBH. The northern hardwoods averages 8" DBH and 4 sticks.

Price Adjustments:

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

Appraiser:

Gregory L. Johnson

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

PARK RAPIDS 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: May 15, 2018

- SUMMARY SHEET -

05/15/2018 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 05/15/2018

PARK RAPIDS AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN MIXED PRODUCTS	BASSWOOD	20.00	Cd	15.37	307.40
	RED OAK	1,200.00	Cd	35.32	42,384.00
	PINE SPECIES	770.00	Cd	44.92	34,591.90
WOODSRUN CORDWOOD	TREMBLING ASPEN	9,585.00	Cd	43.09	413,059.10
	NORTHERN HARDWOODS	715.00	Cd	23.34	16,687.40
	OAK SPECIES	150.00	Cd	28.51	4,276.50
BIOMASS	ANY LISTED SPECIES (optional)	5,971.00	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	NORWAY PINE	865.00	Cd	83.58	72,296.70

TOTAL SOLD TRACTS CONVERTED TO CORDS: 13,305.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 397,927.70
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 583,603.00
TOTAL ACRES SOLD: 436.6
TOTAL NUMBER OF TRACTS SOLD: 4