



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, September 11, 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 September 11, 2018
Environmental Ed 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 September 11, 2019, at the following Area Headquarters: Park Rapids Area.

TRACT B1 COUNTY: WADENA AREA: PARK RAPIDS AREA ACRES: 38.6

Permit Number: B014046
Expiration Date: 05/31/2022

Purchased By: Dick Walsh Forest Products Inc.
Address: 12873 County 32, Park Rapids, MN 56470

NENE of Section 11; NESE,SESE of Section 2 - Township 138, Range 33W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 51	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULP & BOLTS	455.00	Cd	27.60	12,558.00	41.68	18,964.40
+ JACK PINE	PULP & BOLTS	395.00	Cd	29.90	11,810.50	45.15	17,834.25
PAPER BIRCH	PULP & BOLTS	60.00	Cd	16.56	993.60	16.56	993.60
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$25,362.10	BID TOTAL = \$ 37,792.25
				ADVANCE PAYMENT =		\$3,804.32	

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

JACK PINE	FUELWOOD	100.00	Cd	2.00	200.00
ANY LISTED SPECIES	BIOMASS	325.00	Tons	1.15	373.75

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 75%; Pulpwood 25%.
Paper Birch Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.
Trembling Aspen Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.

Cutting and Felling:

- Harvest aspen, jack pine and paper birch.
- Reserve Norway pine, all oaks >8" DBH and all non-merchantable timber within 50 feet of wetland edge.

Season of Operations:

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

Slash Disposal:

- Tightly pile slash on landings as designated by TSA. Piles should be free of dirt, stumps, root wads, and prohibited materials. Piles should be placed a minimum of 150 feet away from standing timber.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Sale is located 4 miles northeast of Huntersville and 2 miles north of county road 19 on MMFR 0386. Stand age is 52-56 years old.

Price Adjustments:

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

Appraiser:

Brian Hoffmann

TRACT B2 COUNTY: BECKER AREA: PARK RAPIDS AREA ACRES: 33.0

Permit Number: B014047
Expiration Date: 05/31/2022

Purchased By: Haverinen Brothers Logging
Address: 10097 - 350th St, Menahga, MN 56464

NWNE,NWSW,SENW,SESW,SWNE,SWSW of Section 16 - Township 140, Range 37W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 40	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULP & BOLTS	260.00	Cd	25.20	6,552.00	35.28	9,172.80
+ NORTHERN HARDWOODS	PULP & BOLTS	255.00	Cd	14.38	3,666.90	20.13	5,133.15
+ SPRUCE-BALSAM	PULP & BOLTS	240.00	Cd	21.67	5,200.80	30.34	7,281.60
RED OAK	PULP & BOLTS	20.00	Cd	19.74	394.80	19.74	394.80
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$15,814.50	BID TOTAL = \$ 21,982.35
				ADVANCE PAYMENT =		\$2,372.18	

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

ANY LISTED SPECIES BIOMASS 550.00 Tons 1.05 577.50

Mixed Species Description:

Northern Hardwoods Pulp & Bolts includes: Paper Birch 70%; Red Maple 30%.
Spruce-Balsam Pulp & Bolts includes: Balsam Fir 96%; White Spruce 4%.

Mixed Product Description:

Northern Hardwoods Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.
Red Oak Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.
Spruce-Balsam Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.
Trembling Aspen Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.

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 in the Smoky Hills State Forest near Elbow Lake. Aspen, birch, spruce and balsam fir range in age from 40-80 years old.

Price Adjustments:

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

Appraiser:

Kenneth P. Nelson

TRACT B3 COUNTY: HUBBARD AREA: PARK RAPIDS AREA ACRES: 113.0

Permit Number: B014048
Expiration Date: 05/31/2022

Purchased By: Dick Walsh Forest Products Inc.
Address: 12873 County 32, Park Rapids, MN 56470

SWSW of Section 2; NWSE,SESE,SWNE,SWSE of Section 3 - Township 141, Range 32W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 50	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	3,900.00	Cd	30.00	117,000.00	45.00	175,500.00
NORTHERN HARDWOODS	WOODSRUN CORDWOOD	120.00	Cd	16.25	1,950.00	16.25	1,950.00
RED OAK	WOODSRUN CORDWOOD	80.00	Cd	22.50	1,800.00	22.50	1,800.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$120,750.00	BID TOTAL = \$ 179,250.00
				ADVANCE PAYMENT =		\$18,112.50	

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

ANY LISTED SPECIES BIOMASS 1,871.00 Tons 1.25 2,338.75

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 83%; Red Maple 17%.

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 with access off of County Road 23. Access trails will need improvements. Aspen is 50 years old and averages 6 sticks and 11" DBH.

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

TRACT B4 COUNTY: HUBBARD AREA: PARK RAPIDS AREA ACRES: 62.0

Permit Number: B014049
Expiration Date: 05/31/2022

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

SESW,SWSE of Section 22; NENW,NWNE,SWNE of Section 27 - Township 142, Range 32W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 30	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	74.00	MBF	162.50	12,025.00	211.25	15,632.50
+ TREMBLING ASPEN	PULPWOOD	1,800.00	Cd	30.00	54,000.00	39.00	70,200.00
+ NORTHERN HARDWOODS	PULP & BOLTS	220.00	Cd	17.56	3,863.20	22.83	5,022.60
+ RED OAK	PULP & BOLTS	180.00	Cd	26.50	4,770.00	34.45	6,201.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$74,658.20	BID TOTAL = \$	97,056.10
				ADVANCE PAYMENT =	\$11,198.73		

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

ANY LISTED SPECIES BIOMASS 1,750.00 Tons 1.25 2,187.50

Mixed Species Description:

Northern Hardwoods Pulp & Bolts includes: Paper Birch 73%; Red Maple 27%.

Mixed Product Description:

Northern Hardwoods Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.
Norway Pine Woodsrunk Sawtimber (Softwood only) includes: Pulpwood 5%; Sawtimber (Softwood Only) 95%.
Red Oak Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.

Season of Operations:

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

Landings Roads and Trails:

- Recreation trail may be used as access.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

This sale is located 6 miles north of Akeley in the Paul Bunyan State Forest. The stand age is 43 years. The tract lies northeast of the intersection of Parkway Forest Road and the Blue Trail. Primary access into the timber sale is along the ATV trail which is located on the south end of the unit. The topography is rolling throughout.

Price Adjustments:

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

Appraiser:

Steven J. Bade

TRACT B5 COUNTY: HUBBARD AREA: PARK RAPIDS AREA ACRES: 61.0

Permit Number: B014050
Expiration Date: 05/31/2022

Purchased By: Haverinen Brothers Logging
Address: 10097 - 350th St, Menahga, MN 56464

SESE of Section 17; NWNW,SWNW of Section 21; SWSW of Section 16; NENE of Section 20 - Township 142, Range 32W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 50	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	1,970.00	Cd	30.00	59,100.00	45.00	88,650.00
+ RED OAK	PULP & BOLTS	180.00	Cd	26.00	4,680.00	39.00	7,020.00
NORTHERN HARDWOODS	PULP & BOLTS	135.00	Cd	17.56	2,370.60	17.56	2,370.60

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$66,150.60 BID TOTAL = \$ 98,040.60
 ADVANCE PAYMENT = \$9,922.59

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

ANY LISTED SPECIES	BIOMASS	1,728.00 Tons	1.25	2,160.00
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Mixed Species Description:

Northern Hardwoods Pulp & Bolts includes: Paper Birch 56%; Red Maple 44%.

Mixed Product Description:

Northern Hardwoods Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.
Red Oak Pulp & Bolts includes: Bolts 35%; Pulpwood 65%.

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 5.5 miles north of Akeley adjacent to the Blue Trail and the Parkway Forest Road. The stand age is 43 years. The west portion of the tract contains an ATV trail that must remain slash free. The topography is rolling throughout.

Price Adjustments:

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

Appraiser:

Steven J. Bade

TRACT B6 COUNTY: HUBBARD AREA: PARK RAPIDS AREA ACRES: 59.0

Permit Number: B014051
Expiration Date: 05/31/2022

Purchased By: Haverinen Brothers Logging
Address: 10097 - 350th St, Menahga, MN 56464

NENW,NWNW,SWNW of Section 26; NENE,SENE of Section 27 - Township 142, Range 32W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 34	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	116.00	MBF	149.50	17,342.00	200.33	23,238.28
+ TREMBLING ASPEN	PULP & BOLTS	1,565.00	Cd	27.60	43,194.00	36.98	57,873.70
+ NORTHERN HARDWOODS	PULPWOOD	235.00	Cd	14.95	3,513.25	20.03	4,707.05
+ RED OAK	PULP & BOLTS	125.00	Cd	23.46	2,932.50	31.44	3,930.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$66,981.75	BID TOTAL = \$	89,749.03
				ADVANCE PAYMENT =	\$10,047.26		

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

ANY LISTED SPECIES BIOMASS 1,680.00 Tons 1.15 1,932.00

Mixed Species Description:

Northern Hardwoods Pulpwood includes: Paper Birch 72%; Red Maple 28%.

Mixed Product Description:

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Pulpwood 5%; Sawtimber (Softwood Only) 95%.

Red Oak Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

Trembling Aspen Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Season of Operations:

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

Landings Roads and Trails:

- Recreation trail may be used as access.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

This sale is located in the Paul Bunyan State Forest 6 miles northeast of Akeley. The stand age is 43 years. The terrain is rolling throughout. The ATV trail can be used as access and must remain slash free.

Price Adjustments:

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

Appraiser:

Steven J. Bade

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: September 11, 2018

- SUMMARY SHEET -

09/11/2018 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 09/11/2018

PARK RAPIDS AREA

SUMMARY FOR <u>SOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	TREMBLING ASPEN	2,280.00	Cd	37.72	86,010.90
	PAPER BIRCH	60.00	Cd	16.56	993.60
	NORTHERN HARDWOODS	610.00	Cd	20.54	12,526.35
	RED OAK	505.00	Cd	34.74	17,545.80
	JACK PINE	395.00	Cd	45.15	17,834.25
	SPRUCE-BALSAM	240.00	Cd	30.34	7,281.60
WOODSRUN CORDWOOD	TREMBLING ASPEN	3,900.00	Cd	45.00	175,500.00
	NORTHERN HARDWOODS	120.00	Cd	16.25	1,950.00
	RED OAK	80.00	Cd	22.50	1,800.00
PULPWOOD	TREMBLING ASPEN	3,770.00	Cd	42.14	158,850.00
	NORTHERN HARDWOODS	235.00	Cd	20.03	4,707.05
FUELWOOD	JACK PINE <i>(optional)</i>	100.00	Cd	-	0.00
BIOMASS	ANY LISTED SPECIES <i>(optional)</i>	7,904.00	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	NORWAY PINE	190.00	MBF	204.58	38,870.78
TOTAL SOLD TRACTS CONVERTED TO CORDS:		12,575.00			
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS:		\$ 369,717.15			
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:		\$ 523,870.33			
TOTAL ACRES SOLD:		366.6			
TOTAL NUMBER OF TRACTS SOLD:		6			