



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 #1**  
**ORAL BID**

Notice is hereby given that I offered for sale at public auction in Orr, MN at 9:00 AM on Wednesday, June 5, 2019, timber belonging to the State of Minnesota. All tracts were offered at the Orr American Legion 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  
ORAL BID TIMBER SALE  
TOWER AREA

9:00 AM on June 5, 2019  
Orr American Legion 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. 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 June 5, 2020, at the following Area Headquarters: Tower Area.

**TRACT B1**

**COUNTY: LAKE**

**AREA: TOWER AREA**

**ACRES: 186.0**

Permit Number: B014258  
Expiration Date: 05/31/2022

**Purchased By:** Mike Nielsen Logging  
**Address:** 1979 Sotlich Road, Ely, MN 55731

SWSW of Section 10; GL06 of Section 5; NESE,NESW,NWSE,NWSW of Section 8;  
NENE,NENW,NESE,NWNE,NWNW,NWSE,SENE,SESE,SWSE of Section 16 - Township 62, Range 11W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 11	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ MIXED SPRUCE	PULP & BOLTS	1,200.00	Cd	12.12	14,544.00	13.45	16,140.00
+ ASPEN SPECIES	PULPWOOD	770.00	Cd	13.00	10,010.00	14.43	11,111.10
+ PINE SPECIES	PULP & BOLTS	350.00	Cd	11.08	3,878.00	12.30	4,305.00
TAMARACK	PULPWOOD	290.00	Cd	3.90	1,131.00	3.90	1,131.00
NORTHERN HARDWOODS	PULPWOOD	195.00	Cd	7.23	1,409.85	7.23	1,409.85
BALSAM FIR	PULPWOOD	50.00	Cd	9.10	455.00	9.10	455.00

+ BID SPECIES      \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$31,427.85      BID TOTAL = \$ 34,551.95  
ADVANCE PAYMENT = \$4,714.18

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

ANY LISTED SPECIES      BIOMASS      1,400.00 Tons      1.00      1,400.00

**Mixed Species Description:**

Aspen Species Pulpwood includes: Largetooth Aspen 49%; Trembling Aspen 51%.  
Mixed Spruce Pulp & Bolts includes: Black Spruce 90%; White Spruce 10%.  
Northern Hardwoods Pulpwood includes: Paper Birch 87%; Red Maple 13%.  
Pine Species Pulp & Bolts includes: Jack Pine 58%; Norway Pine 42%.

**Mixed Product Description:**

Mixed Spruce Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.  
Pine Species Pulp & Bolts includes: Bolts 35%; Pulpwood 65%.

**Cutting and Felling:**

- Fell all live black spruce equal to or greater than 5 feet tall.

**Season of Operations:**

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

**Sale Conditions:**

- Access is across State, USFS, and private land.  
- Permission to cross private land must be obtained by permittee.

**Marketing Conditions:**

-35% due to Lake County

**Price Adjustments:**

Road Construction Costs: 0%  
Haul Distance to Nearest Mill: 0%  
Stand Density: 0%  
Operational Constraints: 0%  
Other Price Factor: -35% (Lake County)

**Appraiser:**

Joseph Weflen



**TRACT B2** COUNTY: ST. LOUIS AREA: TOWER AREA ACRES: 51.0

Permit Number: B014259  
Expiration Date: 05/31/2022

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

SENE of Section 14; NESW,NWNW,SENW,SWNW of Section 13 - Township 64, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	2,000.00	Cd	20.00	40,000.00	20.00	40,000.00
BALSAM FIR	PULPWOOD	330.00	Cd	14.00	4,620.00	14.00	4,620.00
MIXED HARDWOODS	PULPWOOD	80.00	Cd	11.35	908.00	11.35	908.00
WHITE SPRUCE	PULP & BOLTS	25.00	Cd	21.40	535.00	21.40	535.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$46,063.00	BID TOTAL = \$	46,063.00
				ADVANCE PAYMENT =	\$6,909.45		

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

ANY LISTED SPECIES BIOMASS 1,164.00 Tons 1.00 1,164.00

**Mixed Species Description:**

Mixed Hardwoods Pulpwood includes: Ash 1%; Paper Birch 60%; Red Maple 39%.

**Mixed Product Description:**

White Spruce Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.

**Season of Operations:**

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

**Sale Conditions:**

- Access is across State land.

**Marketing Conditions:**

Access is Pickaroon road, winter trail without upgrades. Beaver impoundment at access trail will need release.

**Price Adjustments:**

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

**Appraiser:**

David T. Sopoci

**TRACT B3**

**COUNTY: ST. LOUIS**

**AREA: TOWER AREA**

**ACRES: 427.3**

Permit Number: B014260  
Expiration Date: 05/31/2023

Purchased By:  
Address:

# UNSOLD

GL01, GL02, NENE, NENW, NESE, NESW, NWNW, NWNW, NWSE, NWSW, SENE, SENW, SWNE, SWNW of Section 36 - Township 65, Range 17W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID:	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	3,790.00	Cd	15.00	56,850.00	15.00	56,850.00
+ MIXED SPRUCE	PULP & BOLTS	1,220.00	Cd	15.25	18,605.00	15.25	18,605.00
+ JACK PINE	PULP & BOLTS	1,030.00	Cd	14.90	15,347.00	14.90	15,347.00
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	780.00	Cd	26.50	20,670.00	26.50	20,670.00
	BALSAM FIR	490.00	Cd	10.50	5,145.00	10.50	5,145.00
	WHITE PINE	390.00	Cd	16.05	6,259.50	16.05	6,259.50
	RED MAPLE	320.00	Cd	9.00	2,880.00	9.00	2,880.00
	PAPER BIRCH	200.00	Cd	8.25	1,650.00	8.25	1,650.00

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$127,406.50      BID TOTAL = \$ 127,406.50  
ADVANCE PAYMENT = \$19,110.98

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

ANY LISTED SPECIES      BIOMASS      3,990.00 Tons      1.00      3,990.00

**Mixed Species Description:**

Aspen Species Pulpwood includes: Largetooth Aspen 14%; Trembling Aspen 86%.  
Mixed Spruce Pulp & Bolts includes: Black Spruce 92%; White Spruce 8%.

**Mixed Product Description:**

Jack Pine Pulp & Bolts includes: Bolts 57%; Pulpwood 43%.  
Mixed Spruce Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.  
Norway Pine Woodsrun Mixed Products includes: Bolts 43%; Pulpwood 22%; Sawtimber (Softwood Only) 35%.  
White Pine Woodsrun Mixed Products includes: Bolts 31%; Pulpwood 52%; Sawtimber (Softwood Only) 17%.

**Season of Operations:**

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

**Sale Conditions:**

- Access is across USFS and state land.

**Marketing Conditions:**

Sale access is from the south using USFS Rd. 200 and USFS Rd. 1051.

Sale could also be accessed from the north off of the Hoffman Rd. and existing winter road. Purchaser would be responsible for acquiring access across private parcels.

Sale was appraised by Jeff Rengo, Dave Sopoci, Andrew Broz and Andrew Erickson.

**Price Adjustments:**

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

Other Price Factor: 0%

**Appraiser:**

Andrew J. Erickson

(Appraisal ID 14901-0; Cutting Block ID 17365-0)

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**TRACT B4** COUNTY: KOOCHICHING AREA: TOWER AREA ACRES: 193.9

Permit Number: B014261  
Expiration Date: 05/31/2022

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

NESE,SENE,SESE of Section 5; NWSW,SWNW,SWSW of Section 4; NESW,NWNW,NWSW of Section 9 - Township 67, Range 22W.

NESE,SESE of Section 5; NENE,NESE,SENE of Section 8; NWSW of Section 9 - Township 67, Range 22W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	1,566.00	Cd	19.29	30,208.14	19.29	30,208.14
+ MIXED SPRUCE	PULPWOOD	1,097.00	Cd	17.00	18,649.00	17.00	18,649.00
TAMARACK	PULPWOOD	498.00	Cd	6.00	2,988.00	6.00	2,988.00
BALSAM FIR	PULPWOOD	219.00	Cd	14.00	3,066.00	14.00	3,066.00

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$54,911.14  
ADVANCE PAYMENT = \$8,236.67  
BID TOTAL = \$ 54,911.14

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

LOWLAND	PULPWOOD	419.00	Cd	7.91	3,314.29		
HARDWOODS							
ANY LISTED SPECIES	BIOMASS	1,665.00	Tons	1.00	1,665.00		

**Mixed Species Description:**

Aspen Species Pulpwood includes: Balm of Gilead 24%; Trembling Aspen 76%.  
Lowland Hardwoods Pulpwood includes: American Elm 66%; Ash 12%; Paper Birch 21%; Red Maple 1%.  
Mixed Spruce Pulpwood includes: Black Spruce 91%; White Spruce 9%.

**Cutting and Felling:**

- Fell all live black spruce equal to or greater than 5 feet tall (Cutting Blocks 1 and 2).

**Season of Operations:**

- Conduct all sale operations on dry/frozen soil conditions only, except with written permission from State (Cutting Blocks 1 and 2).

**Sale Conditions:**

- Access is across state and industry land (Cutting Blocks 1 and 2).  
- Permission to cross industry land must be obtained by permittee (Cutting Blocks 1 and 2).

**Marketing Conditions:**

Sale is located close to the intersection of the Johnson Farm road and the Budris Grade road. Landings can be placed so as to allow access for spring/summer hauling.  
Aspen are averaging a DBH of 10" and 5 sticks.  
Spruce are averaging a DBH of 8" and 4 sticks.  
Tamarack are averaging a DBH of 9" and 4 sticks.  
Balsam fir are averaging a DBH of 7" and 2 sticks.  
Lowland hardwoods are averaging a DBH of 8" and 3 sticks. (Optional Timber)

**Price Adjustments:**

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



**Appraiser:**

Timothy D. St Aubin

(Appraisal ID 14891-0; Cutting Block ID 17195-0, 17358-0)

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**TRACT B5** COUNTY: ST. LOUIS AREA: TOWER AREA ACRES: 90.7

Permit Number: B014262  
Expiration Date: 05/31/2022

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

SESE of Section 28; NESW, SENW, SWNW, SWSE of Section 34; NENE of Section 33 - Township 68, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	2,291.00	Cd	24.25	55,556.75	24.25	55,556.75
ASH	PULPWOOD	232.00	Cd	8.75	2,030.00	8.75	2,030.00
BALSAM FIR	PULPWOOD	110.00	Cd	17.50	1,925.00	17.50	1,925.00
PAPER BIRCH	PULPWOOD	67.00	Cd	13.75	921.25	13.75	921.25

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$60,433.00  
 ADVANCE PAYMENT = \$9,064.95  
 BID TOTAL = \$ 60,433.00

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

TAMARACK	PULPWOOD	40.00	Cd	6.00	240.00
ANY LISTED SPECIES	BIOMASS	1,400.00	Tons	1.00	1,400.00

**Mixed Species Description:**

Aspen Species Pulpwood includes: Balm of Gilead 20%; Trembling Aspen 80%.

**Season of Operations:**

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

**Sale Conditions:**

- Access is across state & industry land.
- Permission to cross industry land must be obtained by permittee.

**Marketing Conditions:**

Approximately 30% of aspen is dry/summer workable.  
If tamarack is not harvested, logger is to leave a clean path to north stand for access by firewood permit holders.

**Price Adjustments:**

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

**Appraiser:**

Edward A. Schoon

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 5, 2019

- SUMMARY SHEET -

06/05/2019 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 06/07/2019

TOWER AREA

SUMMARY FOR <u>SOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	PINE SPECIES	350.00	Cd	12.30	4,305.00
	WHITE SPRUCE	25.00	Cd	21.40	535.00
	MIXED SPRUCE	1,200.00	Cd	13.45	16,140.00
PULPWOOD	ASH	232.00	Cd	8.75	2,030.00
	LOWLAND HARDWOODS <i>(optional)</i>	419.00	Cd	-	0.00
	ASPEN SPECIES	4,627.00	Cd	20.94	96,875.99
	TREMBLING ASPEN	2,000.00	Cd	20.00	40,000.00
	PAPER BIRCH	67.00	Cd	13.75	921.25
	NORTHERN HARDWOODS	195.00	Cd	7.23	1,409.85
	BALSAM FIR	709.00	Cd	14.20	10,066.00
	TAMARACK <i>(optional)</i>	40.00	Cd	-	0.00
	TAMARACK	788.00	Cd	5.23	4,119.00
	MIXED SPRUCE	1,097.00	Cd	17.00	18,649.00
MIXED HARDWOODS	80.00	Cd	11.35	908.00	
BIOMASS	ANY LISTED SPECIES <i>(optional)</i>	5,629.00	Tons	-	0.00

**TOTAL SOLD TRACTS CONVERTED TO CORDS:** 11,370.00  
**TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS:** \$ 192,834.99  
**TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:** \$ 195,959.09  
**TOTAL ACRES SOLD:** 521.6  
**SOLD TRACT NUMBERS:** 1, 2, 4, 5  
**TOTAL NUMBER OF TRACTS SOLD:** 4

SUMMARY FOR <u>UNSOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	JACK PINE	1,030.00	Cd	14.90	15,347.00
	MIXED SPRUCE	1,220.00	Cd	15.25	18,605.00
WOODSRUN MIXED PRODUCTS	WHITE PINE	390.00	Cd	16.05	6,259.50
	NORWAY PINE	780.00	Cd	26.50	20,670.00
PULPWOOD	ASPEN SPECIES	3,790.00	Cd	15.00	56,850.00
	PAPER BIRCH	200.00	Cd	8.25	1,650.00
	RED MAPLE	320.00	Cd	9.00	2,880.00
	BALSAM FIR	490.00	Cd	10.50	5,145.00
BIOMASS	ANY LISTED SPECIES <i>(optional)</i>	3,990.00	Tons	1.00	3,990.00

**TOTAL UNSOLD TRACTS CONVERTED TO CORDS:** 8,220.00  
**TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS:** \$ 127,406.50  
**TOTAL ACRES UNSOLD:** 427.3  
**UNSOLD TRACT NUMBER:** 3  
**TOTAL NUMBER OF TRACTS UNSOLD:** 1