



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
INTERMEDIATE AUCTION - SALE #4
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 2:00 PM on Tuesday, June 11, 2019. All tracts were awarded at the "DNR General Andrews Wildfire Training Center at 9:00 AM on June 12, 2019; Mail to: Sandstone Area in Willow River, 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
INTERMEDIATE AUCTION
SEALED BID TIMBER SALE
LITTLE FALLS AREA, SANDSTONE AREA

**SEALED BIDS MUST BE RECEIVED PRIOR TO
2:00 PM on June 11, 2019**

Bids will be awarded at the following location:

'DNR General Andrews Wildfire Training Center at 9:00 AM on June 12, 2019; Mail to: Sandstone Area in Willow River, 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 (June 11, 2019). 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 account 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)]. Purchase is limited to registered persons or companies with 30 or fewer employees. No bidder may purchase more than twenty-five (25) percent of the tracts offered on the first round of bidding. Purchases or attempts to purchase tracts beyond the twenty-five (25) percent limit will result in the forfeiture of the down payment and loss of the tract.

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 June 11, 2020, at the following Area Headquarters: Little Falls Area, Sandstone Area. Beginning 30 days after the auction date, an unsold intermediate auction tract may be purchased by any registered responsible bidder, i.e., purchase is no longer limited to businesses with 30 or fewer employees.

TRACT X1

COUNTY: PINE

AREA: SANDSTONE AREA

ACRES: 54.1

Permit Number: X016666
Expiration Date: 05/31/2022

Purchased By:
Address:

NESW,NWSW,SWNW of Section 2 - Township 39, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASH	PULP & BOLTS	720.00	Cd	9.72	6,998.40	9.72	6,998.40
ANY LISTED SPECIES	BIOMASS	417.00	Tons	1.00	417.00	1.00	417.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$7,415.40	BID TOTAL = \$	7,415.40
				ADVANCE PAYMENT =	\$1,112.31		

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access only.
- Frozen ground access across State or Private.

Sale Conditions:

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

Marketing Conditions:

Sale is locating 1/2 mile southeast of the intersection of Beroun Crossing road Sandhill Crane road.

Price Adjustments:

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

Appraiser:

Jacob Sivertson

TRACT X2

COUNTY: PINE

AREA: SANDSTONE AREA

ACRES: 40.0

Permit Number: X016667

Expiration Date: 05/31/2022

Purchased By:

Address:

NENE,NWNE of Section 34; NESE,NWSE,SESE,SWSE of Section 27 - Township 42, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASH	WOODSRUN MIXED PRODUCTS	800.00	Cd	10.26	8,208.00	10.26	8,208.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$8,208.00	BID TOTAL = \$	8,208.00
				ADVANCE PAYMENT =	\$1,231.20		

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

ASH	BIOMASS	464.00 Tons	0.70	324.80
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Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 35%; Pulpwood 52%; Sawlog-Grade 2 (Hardwood) 13%.

Marketing Conditions:

Stand is located on the west side of Sandstone WMA along the Kettle River SE of the city of Sandstone. Potential accesses are across state (WMA), federal (prison), city (Sandstone) or private (Sandstone Sportsman's Club) Land. Direct access to the stand may require removable bridge.

The Kettle River is a designated wild and scenic river and must have a 200 foot buffer of no operations around it.

Price Adjustments:

- Road Construction Costs: -15%
- Haul Distance to Nearest Mill: -5%
- Stand Density: 0%
- Operational Constraints: -10%
- Other Price Factor: 0%

Appraiser:

Brian A. Strock

TRACT X3

COUNTY: PINE

AREA: SANDSTONE AREA

ACRES: 29.0

Permit Number: X016668
Expiration Date: 05/31/2022

Purchased By: Nelson Forest Products Inc.
Address: PO Box 30, Mora, MN 55051

NESW,NWSW,SESW,SWSW of Section 35 - Township 42, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 32	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	900.00	Cd	19.80	17,820.00	26.14	23,526.00
+ RED MAPLE	PULPWOOD	130.00	Cd	12.10	1,573.00	15.97	2,076.10
+ PAPER BIRCH	PULPWOOD	85.00	Cd	11.00	935.00	14.52	1,234.20
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$20,328.00	BID TOTAL = \$ 26,836.30
				ADVANCE PAYMENT =		\$3,049.20	

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 45%; Trembling Aspen 55%.

Cutting and Felling:

- Harvest all aspen, red maple and birch.
- Reserve all other species including ash, oak, sugar maple, and conifers.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access only.
- Operate during non-rutting soil conditions. Refer to DNR rutting guidelines.
- No sale operations allowed during archery deer season.

Slash Disposal:

- Biomass harvest is not allowed on this permit.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

(N/A)

Price Adjustments:

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

Appraiser:

Brian S. Allshouse

TRACT X4

COUNTY: PINE

AREA: SANDSTONE AREA

ACRES: 51.9

Permit Number: X016669
Expiration Date: 05/31/2022

Purchased By: Nelson Forest Products Inc.
Address: PO Box 30, Mora, MN 55051

NESE,NWSE,SESE,SESW,SWSE of Section 2; NENW,NWNE,SENW,SWNE of Section 11 - Township 44, Range 17W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 21	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULP & BOLTS	1,007.00	Cd	18.90	19,032.30	22.87	23,030.09
+ PAPER BIRCH	PULP & BOLTS	75.00	Cd	13.02	976.50	15.75	1,181.25
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$20,008.80	BID TOTAL = \$ 24,211.34
				ADVANCE PAYMENT =		\$3,001.32	

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

ANY LISTED SPECIES BIOMASS 493.00 Tons 1.00 493.00

Mixed Product Description:

Paper Birch Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.
Trembling Aspen Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State.
- Southern parcel (7 acres) is the only summer operable portion of this permit.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Timber sale is located just north of the Park Forest road. Only 1 mile down the Park Rd from the Kerrick side.

Price Adjustments:

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

Appraiser:

Jacob Sivertson

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

LITTLE FALLS AREA, SANDSTONE 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: June 11, 2019

- SUMMARY SHEET -

06/11/2019 INTERMEDIATE AUCTION - SALE #4

COMPLETED - DATA AS OF 06/25/2019

LITTLE FALLS AREA, SANDSTONE AREA

SUMMARY FOR ALL TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	ASH	720.00	Cd	9.72	6,998.40
WOODSRUN MIXED PRODUCTS	ASH	800.00	Cd	10.26	8,208.00
BIOMASS	ASH (optional)	464.00	Tons	0.70	324.80
	ANY LISTED SPECIES	417.00	Tons	1.00	417.00

TOTAL SALE CONVERTED TO CORDS: 1,520.00
TOTAL APPRAISED DOLLAR VALUE OF SALE: \$ 15,623.40
TOTAL BID-UP DOLLAR VALUE OF SALE: \$ 0.00
TOTAL ACRES: 94.1
ALL TRACT NUMBERS: 1, 2
TOTAL NUMBER OF TRACTS: 2

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	TREMBLING ASPEN	1,007.00	Cd	22.87	23,030.09
	PAPER BIRCH	75.00	Cd	15.75	1,181.25
PULPWOOD	ASPEN SPECIES	900.00	Cd	26.14	23,526.00
	PAPER BIRCH	85.00	Cd	14.52	1,234.20
	RED MAPLE	130.00	Cd	15.97	2,076.10
BIOMASS	ANY LISTED SPECIES (optional)	493.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 2,197.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 40,336.80
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 51,047.64
TOTAL ACRES SOLD: 80.9
SOLD TRACT NUMBERS: 3, 4
TOTAL NUMBER OF TRACTS SOLD: 2