



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN THE FOLLOWING AREA:
TOWER 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 2:30 PM on Monday, September 30, 2019. All tracts were awarded at the DNR Tower Office at 2:45 p.m., September 30, 2019 in Tower, 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
TOWER AREA

**SEALED BIDS MUST BE RECEIVED PRIOR TO
2:30 PM on September 30, 2019**

**Bids will be awarded at the following location:
DNR Tower Office at 2:45 p.m., September 30, 2019 in Tower, 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 (September 30, 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 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 September 30, 2020, at the following Area Headquarters: Tower Area.

TRACT B1

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 51.0

Permit Number: B014375
Expiration Date: 05/31/2020

Purchased By:
Address:

UNSOLD

NESW,NWSW,SESW of Section 36 - Township 65, Range 18W.
SESE of Section 30; NENE,NWNE of Section 31 - Township 65, Range 17W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	PULP & BOLTS	605.00	Cd	7.22	4,368.10	7.22	4,368.10
+ TREMBLING ASPEN	PULPWOOD	105.00	Cd	7.00	735.00	7.00	735.00
MIXED SPRUCE	PULPWOOD	60.00	Cd	5.95	357.00	5.95	357.00
BALSAM FIR	PULPWOOD	55.00	Cd	4.90	269.50	4.90	269.50
PAPER BIRCH	PULPWOOD	5.00	Cd	3.85	19.25	3.85	19.25

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL =	\$5,748.85	BID TOTAL = \$	5,748.85
ADVANCE PAYMENT =	\$862.33		

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

ANY LISTED SPECIES	BIOMASS	258.00	Tons	0.35	90.30
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Mixed Species Description:

Mixed Spruce Pulpwood includes: Black Spruce 75%; White Spruce 25%.
Pine Species Pulp & Bolts includes: Jack Pine 28%; Norway Pine 70%; White Pine 2%.

Mixed Product Description:

Pine Species Pulp & Bolts includes: Bolts 47%; Pulpwood 53%.

Season of Operations:

- Conduct 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 land (Cutting Blocks 1 and 2).

Marketing Conditions:

Windstorm blowdown from 7/17/19. Winds generally from the SW. Damage mostly root tipped. 65% of acreage has over 50% trees down.
CB1: planted pine age 37, thinned 2019. Culvert install required.
CB2: planted pine age 51, thinned 2012. 2 acres lowland spruce.
Base price reduced 65% for salvage, fair stand density, and haul distance over 75 miles. Elbow Lake road between Orr and Buyck.

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: -10%
Stand Density: -5%
Operational Constraints: 0%
Other Price Factor: -50% (salvage)

Appraiser:

David T. Sopoci

TRACT B2

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 46.0

Permit Number: B014376
Expiration Date: 05/31/2020

Purchased By:
Address:

UNSOLD

NESE,NESW,NWSE,SENE,SWNE of Section 36 - Township 65, Range 18W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	PULP & BOLTS	260.00	Cd	2.56	665.60	2.56	665.60
BALSAM FIR	PULPWOOD	30.00	Cd	2.80	84.00	2.80	84.00
MIXED SPRUCE	PULPWOOD	30.00	Cd	3.40	102.00	3.40	102.00
TREMBLING ASPEN	PULPWOOD	25.00	Cd	4.00	100.00	4.00	100.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$951.60	BID TOTAL = \$	951.60
				ADVANCE PAYMENT =	\$142.74		

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

ANY LISTED SPECIES BIOMASS 116.00 Tons 0.20 23.20

Mixed Species Description:

Mixed Spruce Pulpwood includes: Black Spruce 50%; White Spruce 50%.
Pine Species Pulp & Bolts includes: Jack Pine 19%; Norway Pine 77%; White Pine 4%.

Mixed Product Description:

Pine Species Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.

Season of Operations:

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

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Windstorm blowdown from 7/17/19. Winds generally from the SW. Damage mostly root tipped. 48% of acreage has over 50% trees down.Planted pine ages 19 & 27. Row thin and salvage. Base price reduced 80% for salvage, poor stand density, fair road access, and haul distance over 75 miles. Elbow Lake road between Orr and Buyck.

Price Adjustments:

Road Construction Costs: -10%
Haul Distance to Nearest Mill: -10%
Stand Density: -10%
Operational Constraints: 0%
Other Price Factor: -50% (salvage)

Appraiser:

David T. Sopoci

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: September 30, 2019

- SUMMARY SHEET -

09/30/2019 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 09/30/2019

TOWER AREA

SUMMARY FOR UNSOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	PINE SPECIES	865.00	Cd	5.82	5,033.70
PULPWOOD	TREMBLING ASPEN	130.00	Cd	6.42	835.00
	PAPER BIRCH	5.00	Cd	3.85	19.25
	BALSAM FIR	85.00	Cd	4.16	353.50
	MIXED SPRUCE	90.00	Cd	5.10	459.00
BIOMASS	ANY LISTED SPECIES (optional)	374.00	Tons	0.30	113.50

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 1,175.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 6,700.45
TOTAL ACRES UNSOLD: 97.0
TOTAL NUMBER OF TRACTS UNSOLD: 2