



MINNESOTA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF FORESTRY

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

---

**STATUS: COMPLETED**  
**REGULAR AUCTION - SALE #1**  
**ORAL BID**

Notice is hereby given that I offered for sale at public auction in Backus, MN at 9:30 AM on Thursday, December 19, 2019, timber belonging to the State of Minnesota. All tracts were offered at the Cass County Land Department in Backus, 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  
BACKUS AREA

9:30 AM on December 19, 2019  
Cass County Land Department in Backus, 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 December 19, 2020, at the following Area Headquarters: Backus Area.

**TRACT B1**

**COUNTY: CASS**

**AREA: BACKUS AREA**

**ACRES: 163.6**

Permit Number: B014443  
Expiration Date: 05/31/2022

**Purchased By:** Michele Putnam  
**Address:** 1051 N Hunter Lake Rd, Longville, MN 56655

NWNE,NWSE,SWNE,SWSE of Section 3 - Township 139, Range 25W.  
NESE,NESW,NWSE,SESE,SESW,SWSE,SWSW of Section 27;  
NENW,NESW,NWNE,NWNW,NWSE,SESW,SWNE,SWSE of Section 34 - Township 140, Range 25W.

| SPECIES         | PRODUCT      | VOLUME | UNIT | APPRAISED  |           | BID %: 0   |           |
|-----------------|--------------|--------|------|------------|-----------|------------|-----------|
|                 |              |        |      | UNIT PRICE | \$ VALUE  | UNIT PRICE | \$ VALUE  |
| + ASPEN SPECIES | PULPWOOD     | 830.00 | Cd   | 14.45      | 11,993.50 | 14.45      | 11,993.50 |
| + OAK SPECIES   | PULP & BOLTS | 810.00 | Cd   | 17.14      | 13,883.40 | 17.14      | 13,883.40 |
| + BASSWOOD      | PULP & BOLTS | 400.00 | Cd   | 8.92       | 3,568.00  | 8.92       | 3,568.00  |
| + MAPLE SPECIES | PULPWOOD     | 370.00 | Cd   | 8.50       | 3,145.00  | 8.50       | 3,145.00  |
| + ASH           | PULP & BOLTS | 318.00 | Cd   | 7.67       | 2,439.06  | 7.67       | 2,439.06  |
| PAPER BIRCH     | PULP & BOLTS | 92.00  | Cd   | 13.09      | 1,204.28  | 13.09      | 1,204.28  |
| BALSAM FIR      | PULPWOOD     | 8.00   | Cd   | 8.50       | 68.00     | 8.50       | 68.00     |

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$36,301.24  
ADVANCE PAYMENT = \$5,445.19  
BID TOTAL = \$ 36,301.24

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

|                    |                   |          |      |       |          |
|--------------------|-------------------|----------|------|-------|----------|
| ASH                | WOODSRUN CORDWOOD | 572.00   | Cd   | 7.67  | 4,387.24 |
| ASPEN SPECIES      | WOODSRUN CORDWOOD | 100.00   | Cd   | 14.45 | 1,445.00 |
| PAPER BIRCH        | WOODSRUN CORDWOOD | 57.00    | Cd   | 13.09 | 746.13   |
| BASSWOOD           | WOODSRUN CORDWOOD | 29.00    | Cd   | 8.92  | 258.68   |
| BALSAM FIR         | WOODSRUN CORDWOOD | 24.00    | Cd   | 8.50  | 204.00   |
| MAPLE SPECIES      | WOODSRUN CORDWOOD | 21.00    | Cd   | 8.50  | 178.50   |
| OAK SPECIES        | WOODSRUN CORDWOOD | 15.00    | Cd   | 17.14 | 257.10   |
| WHITE CEDAR        | WOODSRUN CORDWOOD | 1.00     | Cd   | 5.10  | 5.10     |
| ANY LISTED SPECIES | BIOMASS           | 1,680.00 | Tons | 0.65  | 1,092.00 |

**Mixed Species Description:**

Aspen Species Pulpwood includes: Largetooth Aspen 35%; Trembling Aspen 65%.  
Aspen Species Woodsrunk Cordwood includes: Largetooth Aspen 35%; Trembling Aspen 65%.  
Maple Species Pulpwood includes: Red Maple 35%; Sugar Maple 65%.  
Maple Species Woodsrunk Cordwood includes: Red Maple 35%; Sugar Maple 65%.  
Oak Species Pulp & Bolts includes: Bur Oak 2%; Red Oak 98%.  
Oak Species Woodsrunk Cordwood includes: Bur Oak 1%; Red Oak 99%.

**Mixed Product Description:**

Ash Pulp & Bolts includes: Bolts 33%; Pulpwood 67%.  
Basswood Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.  
Oak Species Pulp & Bolts includes: Bolts 56%; Pulpwood 44%.  
Paper Birch Pulp & Bolts includes: Bolts 54%; Pulpwood 46%.

**Cutting and Felling:**

- Harvest all basswood, maple, aspen, ash, paper birch, balsam fir, and oak in the 4 clear cut blocks.  
In the oak shelterwood block harvest all aspen species, maple species, basswood, ash < 10" DBH, and all non-painted oak and paper birch.

**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 off the Pikus Forest Road/snowmobile trail and the Cedar Lake Loop Trail snowmobile trail.

If the optional ash timber is purchased harvest all maple, basswood, paper birch, oak species, balsam fir, aspen, and ash <12" DBH. Only harvest cedar for access to ash pockets as directed by the TSA. Optional timber will be priced according to bid up value.

**Price Adjustments:**

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

**Appraiser:**

Devon Andrew Wenthe

(Appraisal ID 14719-0; Cutting Block ID 17147-0)

---

**TRACT B2** COUNTY: CASS AREA: BACKUS AREA ACRES: 59.9

Permit Number: B014444  
Expiration Date: 05/31/2022

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

NESE,NWSE,SESE,SWNE,SWSE of Section 28; NENE,NWNE of Section 33 - Township 139, Range 31W.

| SPECIES            | PRODUCT                 | VOLUME | UNIT | APPRAISED  |           | BID %: 0   |           |
|--------------------|-------------------------|--------|------|------------|-----------|------------|-----------|
|                    |                         |        |      | UNIT PRICE | \$ VALUE  | UNIT PRICE | \$ VALUE  |
| + TREMBLING ASPEN  | PULPWOOD                | 560.00 | Cd   | 17.00      | 9,520.00  | 17.00      | 9,520.00  |
| + PINE SPECIES     | WOODSRUN MIXED PRODUCTS | 440.00 | Cd   | 32.70      | 14,388.00 | 32.70      | 14,388.00 |
| + WHITE SPRUCE     | PULP & BOLTS            | 240.00 | Cd   | 18.50      | 4,440.00  | 18.50      | 4,440.00  |
| NORTHERN HARDWOODS | PULPWOOD                | 65.00  | Cd   | 10.28      | 668.20    | 10.28      | 668.20    |

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$29,016.20  
ADVANCE PAYMENT = \$4,352.43  
BID TOTAL = \$ 29,016.20

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

ANY LISTED SPECIES BIOMASS 571.04 Tons 0.65 371.18

**Mixed Species Description:**

Northern Hardwoods Pulpwood includes: Bur Oak 7%; Paper Birch 50%; Red Maple 18%; Sugar Maple 25%.  
Pine Species Woodsrunk Mixed Products includes: Norway Pine 95%; White Pine 5%.

**Mixed Product Description:**

Pine Species Woodsrunk Mixed Products includes: Bolts 50%; Pulpwood 20%; Sawtimber 30%.  
White Spruce Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.

**Cutting and Felling:**

- Harvest all aspen, white spruce, maple, paper birch and bur oak in Stand 1. Reserve all red pine and white pine.
- In Stand 2, harvest all orange painted trees.
- Stand 3 & 6, harvest all aspen, white spruce, maple, paper birch and bur oak. Harvest all orange painted pine.
- Stand 4, harvest all species within a 12-14 feet access strip. Space access strips 40-50 feet apart. Between access strips, remove 10-15% of trees to a final BA of 110 sq.ft. Remove poor quality and suppressed trees to release dominant, well formed, single topped trees. Selection should be systematic with no clumps. Provide equal spacing between the crop trees.
- Stand 5, harvest all aspen, maple and paper birch. Harvest pine and spruce marked with orange paint.
- Stand 7, harvest all aspen, maple and paper birch. In pine areas, logger select to a final BA of 110 sq.ft by following Stand 4 specifications.
- In stands 2, 4, 5 and 7, recommend forwarding or tree length skidding. Trees may have to be cut into shorter lengths before skidding to prevent damage to residuals.

**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:**

Sale is located four miles west of Backus off of the Pine Mountain Forest Road. Terrain is rolling to steep in sale area. Some stands have fire-plowed rows throughout. The Pine Species mix contains white pine pulp and red pine pulp, bolts and sawtimber.

**Price Adjustments:**

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

**Appraiser:**

Elena A. Wiley

(Appraisal ID 15280-0; Cutting Block ID 13316-0)

---

TRACT B3

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 10.1

Permit Number: B014445  
Expiration Date: 05/31/2022

Purchased By:  
Address:

# UNSOLD

NESW,SESW of Section 36 - Township 140, Range 31W.

| SPECIES                                       | PRODUCT      | VOLUME | UNIT | APPRAISED         |          | BID: _____ |                         |
|---|--------------|--------|------|-------------------|----------|------------|-------------------------|
|   |              |        |      | UNIT PRICE        | \$ VALUE | UNIT PRICE | \$ VALUE                |
| + ASPEN SPECIES                               | PULPWOOD     | 93.00  | Cd   | 15.30             | 1,422.90 | 15.30      | 1,422.90                |
| + BALSAM FIR                                  | PULPWOOD     | 79.00  | Cd   | 9.00              | 711.00   | 9.00       | 711.00                  |
| NORWAY PINE                                   | PULP & BOLTS | 39.00  | Cd   | 22.05             | 859.95   | 22.05      | 859.95                  |
| NORTHERN HARDWOODS                            | PULP & BOLTS | 31.00  | Cd   | 10.80             | 334.80   | 10.80      | 334.80                  |
| MIXED SPRUCE                                  | PULP & BOLTS | 14.00  | Cd   | 14.67             | 205.38   | 14.67      | 205.38                  |
| ASH   | PULPWOOD     | 11.00  | Cd   | 5.40              | 59.40    | 5.40       | 59.40                   |
| JACK PINE                                     | PULP & BOLTS | 2.00   | Cd   | 12.42             | 24.84    | 12.42      | 24.84                   |
| + BID SPECIES      * SOLD ON APPRAISED VOLUME |              |        |      | APPRAISED TOTAL = |          | \$3,618.27 | BID TOTAL = \$ 3,618.27 |
|   |              |        |      | ADVANCE PAYMENT = |          | \$542.74   |                         |

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

ANY LISTED SPECIES      BIOMASS      125.00 Tons      0.65      81.25

**Mixed Species Description:**

Aspen Species Pulpwood includes: Largetooth Aspen 10%; Trembling Aspen 90%.  
Mixed Spruce Pulp & Bolts includes: Black Spruce 75%; White Spruce 25%.  
Northern Hardwoods Pulp & Bolts includes: Paper Birch 94%; Red Maple 6%.

**Mixed Product Description:**

Jack Pine Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.  
Mixed Spruce Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.  
Northern Hardwoods Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.  
Norway Pine Pulp & Bolts includes: Bolts 70%; Pulpwood 30%.

**Cutting and Felling:**

- Harvest aspen, balsam fir, red maple, Norway pine, paper birch, jack pine, ash, and spruce.

**Season of Operations:**

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

**Sale Conditions:**

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

**Marketing Conditions:**

Sale is located 2 miles west of Hackensack off Cass County 40.  
Best access will require freezing road down across a tamarack swamp.  
Price reduced by 10% due to frozen ground operability only.

**Price Adjustments:**

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

**Appraiser:**

Brody J. Geiselman

(Appraisal ID 15268-0; Cutting Block ID 17761-0)

---

---

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

BACKUS 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: December 19, 2019



- SUMMARY SHEET -

12/19/2019 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 12/19/2019

BACKUS AREA

| SUMMARY FOR <u>SOLD</u> TRACTS |                               |              |      |                         |                     |
|--------------------------------|-------------------------------|--------------|------|-------------------------|---------------------|
| PRODUCT                        | SPECIES                       | TOTAL VOLUME | UNIT | SOLD AVERAGE UNIT PRICE | TOTAL SOLD \$ VALUE |
| PULP & BOLTS                   | ASH                           | 318.00       | Cd   | 7.67                    | 2,439.06            |
|                                | PAPER BIRCH                   | 92.00        | Cd   | 13.09                   | 1,204.28            |
|                                | BASSWOOD                      | 400.00       | Cd   | 8.92                    | 3,568.00            |
|                                | OAK SPECIES                   | 810.00       | Cd   | 17.14                   | 13,883.40           |
|                                | WHITE SPRUCE                  | 240.00       | Cd   | 18.50                   | 4,440.00            |
| WOODSRUN MIXED PRODUCTS        | PINE SPECIES                  | 440.00       | Cd   | 32.70                   | 14,388.00           |
| WOODSRUN CORDWOOD              | ASH (optional)                | 572.00       | Cd   | -                       | 0.00                |
|                                | ASPEN SPECIES (optional)      | 100.00       | Cd   | -                       | 0.00                |
|                                | PAPER BIRCH (optional)        | 57.00        | Cd   | -                       | 0.00                |
|                                | MAPLE SPECIES (optional)      | 21.00        | Cd   | -                       | 0.00                |
|                                | BASSWOOD (optional)           | 29.00        | Cd   | -                       | 0.00                |
|                                | OAK SPECIES (optional)        | 15.00        | Cd   | -                       | 0.00                |
|                                | BALSAM FIR (optional)         | 24.00        | Cd   | -                       | 0.00                |
|                                | WHITE CEDAR (optional)        | 1.00         | Cd   | -                       | 0.00                |
| PULPWOOD                       | ASPEN SPECIES                 | 830.00       | Cd   | 14.45                   | 11,993.50           |
|                                | TREMBLING ASPEN               | 560.00       | Cd   | 17.00                   | 9,520.00            |
|                                | MAPLE SPECIES                 | 370.00       | Cd   | 8.50                    | 3,145.00            |
|                                | NORTHERN HARDWOODS            | 65.00        | Cd   | 10.28                   | 668.20              |
|                                | BALSAM FIR                    | 8.00         | Cd   | 8.50                    | 68.00               |
| BIOMASS                        | ANY LISTED SPECIES (optional) | 2,251.04     | Tons | -                       | 0.00                |

**TOTAL SOLD TRACTS CONVERTED TO CORDS:** 4,133.00  
**TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS:** \$ 65,317.44  
**TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:** \$ 65,317.44  
**TOTAL ACRES SOLD:** 223.5  
**SOLD TRACT NUMBERS:** 1, 2  
**TOTAL NUMBER OF TRACTS SOLD:** 2

| SUMMARY FOR <u>UNSOLD</u> TRACTS |                               |              |      |                              |                    |
|----------------------------------|-------------------------------|--------------|------|------------------------------|--------------------|
| PRODUCT                          | SPECIES                       | TOTAL VOLUME | UNIT | APPRAISED AVERAGE UNIT PRICE | APPRAISED \$ VALUE |
| PULP & BOLTS                     | NORTHERN HARDWOODS            | 31.00        | Cd   | 10.80                        | 334.80             |
|                                  | NORWAY PINE                   | 39.00        | Cd   | 22.05                        | 859.95             |
|                                  | JACK PINE                     | 2.00         | Cd   | 12.42                        | 24.84              |
|                                  | MIXED SPRUCE                  | 14.00        | Cd   | 14.67                        | 205.38             |
| PULPWOOD                         | ASH                           | 11.00        | Cd   | 5.40                         | 59.40              |
|                                  | ASPEN SPECIES                 | 93.00        | Cd   | 15.30                        | 1,422.90           |
|                                  | BALSAM FIR                    | 79.00        | Cd   | 9.00                         | 711.00             |
| BIOMASS                          | ANY LISTED SPECIES (optional) | 125.00       | Tons | 0.65                         | 81.25              |

**TOTAL UNSOLD TRACTS CONVERTED TO CORDS:** 269.00  
**TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS:** \$ 3,618.27  
**TOTAL ACRES UNSOLD:** 10.1  
**UNSOLD TRACT NUMBER:** 3  
**TOTAL NUMBER OF TRACTS UNSOLD:** 1