



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN THE FOLLOWING AREA:
LITTLEFORK 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 12:00 PM on Thursday, June 4, 2020. All tracts were awarded at the Bid awarding at Littlefork DNR Forestry Office at 2:00 PM on June 4, 2020 in Littlefork, 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
LITTLEFORK AREA

**SEALED BIDS MUST BE RECEIVED PRIOR TO
12:00 PM on June 4, 2020**

Bids will be awarded at the following location:

Bid awarding at Littlefork DNR Forestry Office at 2:00 PM on June 4, 2020 in Littlefork, 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, all bids must be submitted in one or more envelopes, the envelopes should be marked with the auction name. Bid forms may be obtained online at <https://www.dnr.state.mn.us/forestry/timbersales/calendar.html> or 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 (12:00 PM on June 4, 2020). 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 opening 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 4, 2021, at the following Area Headquarters: Littlefork Area.

TRACT B1 COUNTY: KOOCHICHING AREA: LITTLEFORK AREA ACRES: 192.0

Permit Number: B014596
Expiration Date: 05/31/2023

Purchased By: Junker Logging Inc.
Address: 5564 Co Rd 8, Littlefork, MN 56653

NESW,NWSE,NWSW,SESW,SWSW of Section 28; NENW,NWNE,NWNW of Section 33; NESE,SESE of Section 29 - Township 66, Range 24W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 7	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TAMARACK	PULPWOOD	2,080.00	Cd	6.00	12,480.00	6.42	13,353.60
+ MIXED SPRUCE	PULPWOOD	1,060.00	Cd	16.00	16,960.00	17.12	18,147.20
+ PINE SPECIES	PULP & BOLTS	500.00	Cd	8.36	4,180.00	8.95	4,475.00
+ ASPEN SPECIES	PULPWOOD	185.00	Cd	16.97	3,139.45	18.16	3,359.60
BALSAM FIR	PULPWOOD	55.00	Cd	14.00	770.00	14.00	770.00
PAPER BIRCH	PULPWOOD	20.00	Cd	10.00	200.00	10.00	200.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$37,729.45 BID TOTAL = \$ 40,305.40
 ADVANCE PAYMENT = \$5,659.42

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

ANY LISTED SPECIES	BIOMASS	1,590.00 Tons	0.65	1,033.50
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Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 1%; Trembling Aspen 99%.
 Mixed Spruce Pulpwood includes: Black Spruce 99%; White Spruce 1%.
 Pine Species Pulp & Bolts includes: Jack Pine 2%; Norway Pine 97%; White Pine 1%.

Mixed Product Description:

Pine Species Pulp & Bolts includes: Bolts 19%; Pulpwood 81%.

Cutting and Felling:

- In tamarack and black spruce clearcut 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 and county land.
- Permission to cross county land must be obtained by permittee.

Marketing Conditions:

Sale is able to be accessed from 2 winter roads that are 1 mile to Hwy 65.
 Approximately 10 acres of the tamarack/spruce clearcut are heavily impacted by dwarf mistletoe with little to no merchantable volume, these acres are to be treated with the site(price reduced 10% operational constraints).
 1% of the tamarack was affected by larch beetle as of Feb. 2020.
 Pine price reduced 25% for first entry thin

Price Adjustments:

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

Appraiser:

Nicholas John Riley

TRACT B2 COUNTY: KOOCHICHING AREA: LITTLEFORK AREA ACRES: 74.3

Permit Number: B014597
Expiration Date: 05/31/2023

Purchased By: Junker Logging Inc.
Address: 5564 Co Rd 8, Littlefork, MN 56653

NESW,NWSW,SESW,SWSW of Section 26; NENE of Section 34; NWNW of Section 35; NESE,SESE of Section 27 - Township 67, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 76	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	2,510.00	Cd	19.38	48,643.80	34.11	85,616.10
+ MIXED SPRUCE	PULP & BOLTS	450.00	Cd	20.26	9,117.00	35.66	16,047.00
	ASH	305.00	Cd	8.14	2,482.70	8.14	2,482.70
+ BALSAM FIR	PULPWOOD	280.00	Cd	16.10	4,508.00	28.34	7,935.20
	PAPER BIRCH	115.00	Cd	11.50	1,322.50	11.50	1,322.50
	TAMARACK	25.00	Cd	6.90	172.50	6.90	172.50
	WHITE CEDAR	5.00	Cd	6.90	34.50	6.90	34.50

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$66,281.00
ADVANCE PAYMENT = \$9,942.15
BID TOTAL = \$ 113,610.50

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

ANY LISTED SPECIES BIOMASS 1,765.00 Tons 0.65 1,147.25

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 5%; Trembling Aspen 95%.
Mixed Spruce Pulp & Bolts includes: Black Spruce 71%; White Spruce 29%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 12%; Pulpwood 88%.
Mixed Spruce Pulp & Bolts includes: Bolts 27%; Pulpwood 73%.

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 and county land. Best access is across county, private, and industry land.
- Permission to cross county, private, and industry land must be obtained by permittee.

Marketing Conditions:

Best access is 4.5 miles of existing winter road west from county road 71. Route crosses state, county, private, and industry lands.
Other access is 5.5 miles of existing winter road to Hwy 71. This route crosses state and county land.

Price Adjustments:

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

Appraiser:

Nicholas John Riley

TRACT B3 COUNTY: KOOCHICHING AREA: LITTLEFORK AREA ACRES: 326.6

Permit Number: B014598
Expiration Date: 05/31/2024

Purchased By: DeLack Logging Inc.
Address: PO Box 354, Littlefork, MN 56653

NENE,NESE,NWNE,NWSE,SENE,SESE,SWNE,SWSE of Section 31;
NENW,NESE,NWNE,NWNW,NWSE,NWSW,SENE,SESW,SWNE,SWNW,SWSE,SWSW of Section 32 -
Township 69, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 55	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ BLACK SPRUCE	PULPWOOD	8,000.00	Cd	18.40	147,200.00	28.52	228,160.00
TAMARACK	PULPWOOD	10.00	Cd	6.90	69.00	6.90	69.00
PAPER BIRCH	PULPWOOD	1.00	Cd	11.50	11.50	11.50	11.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$147,280.50	BID TOTAL = \$	228,240.50
				ADVANCE PAYMENT =	\$22,092.08		

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

ANY LISTED SPECIES BIOMASS 4,435.00 Tons 0.65 2,882.75

Cutting and Felling:

- Fell all live black spruce equal to or greater than 5 feet tall. The 5 foot cutting rule will not apply to the salvage areas delineated on the sale map.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Access is 1 mile of existing winter road off of County Road 1. This is a four year sale due to large volume of lowland conifers.

Price Adjustments:

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

Appraiser:

Bill C. Alleman

TRACT B4

COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

ACRES: 139.7

Permit Number: B014599
Expiration Date: 05/31/2023

Purchased By:
Address:

UNSOLD

NESW,NWSE,NWSW,SESW,SWNE,SWSE,SWSW of Section 29; NENE of Section 31; NWNW of Section 32;
SESE of Section 30 - Township 70, Range 22W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ BLACK SPRUCE	PULPWOOD	3,185.00	Cd	14.74	46,946.90	14.74	46,946.90
TAMARACK	PULPWOOD	225.00	Cd	4.67	1,050.75	4.67	1,050.75
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$47,997.65	BID TOTAL = \$ 47,997.65
				ADVANCE PAYMENT =		\$7,199.65	

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

ANY LISTED SPECIES BIOMASS 1,800.00 Tons 0.65 1,170.00

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 and County land.
- Permission to cross County land must be obtained by permittee.

Marketing Conditions:

Black spruce age 110-140 SI 26-43

Site located approximately 5.5 miles northeast from the East Branch Access Road using existing winter roads. Approximately 1 mile of new winter road building will be necessary to access the sale area.

Price reduction of 50% on 500 cords of spruce and 100 cords of tamarack due to salvage of low volume on 52 acres of the sale area. The 5 foot cutting rule will not apply to the salvage areas delineated on the sale map.

Price Adjustments:

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

Appraiser:

Chris J. Scofield

TRACT B5

COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

ACRES: 79.4

Permit Number: B014600
Expiration Date: 05/31/2023

Purchased By: Ziemba & Sons Inc.
Address: 6002 County Rd. 1, Littlefork, MN 56653

SENE of Section 34; SENE, SENW, SWNE, SWNW of Section 35 - Township 155, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 89	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	2,705.00	Cd	20.40	55,182.00	38.56	104,304.80
ASH	PULPWOOD	175.00	Cd	7.20	1,260.00	7.20	1,260.00
PAPER BIRCH	PULPWOOD	120.00	Cd	12.00	1,440.00	12.00	1,440.00
NORWAY PINE	PULP & BOLTS	92.00	Cd	25.56	2,351.52	25.56	2,351.52
BALSAM FIR	PULPWOOD	65.00	Cd	16.80	1,092.00	16.80	1,092.00
WHITE SPRUCE	PULP & BOLTS	36.00	Cd	20.64	743.04	20.64	743.04
RED MAPLE	PULPWOOD	25.00	Cd	12.00	300.00	12.00	300.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$62,368.56	BID TOTAL = \$	111,491.36
				ADVANCE PAYMENT =	\$9,355.28		

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

ANY LISTED SPECIES BIOMASS 1,545.00 Tons 0.65 1,004.25

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 65%; Pulpwood 35%.
White Spruce Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.

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:

The aspen volume is a consistent run of 7 and 8 stick trees. There are several pockets of oversize aspen greater than 22 inch DBH scattered throughout the harvest area.

The sale is approximately 1 mile north of Big Falls. The main harvest area is 0.3 miles west of County Road 13 along the Miller Minimum Maintenance Road. A finger of the sale abuts County Road 13.

An existing trail will need to be widened to use as a stub road. The existing old field can be used as a landing. At least one more new stub road will need to be stumped out.

Price Adjustments:

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

Appraiser:

Matthew S. Wappler

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

LITTLEFORK 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 4, 2020

- SUMMARY SHEET -

06/04/2020 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 06/15/2020

LITTLEFORK AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASH	305.00	Cd	8.14	2,482.70
	PINE SPECIES	500.00	Cd	8.95	4,475.00
	NORWAY PINE	92.00	Cd	25.56	2,351.52
	WHITE SPRUCE	36.00	Cd	20.64	743.04
	MIXED SPRUCE	450.00	Cd	35.66	16,047.00
PULPWOOD	ASH	175.00	Cd	7.20	1,260.00
	ASPEN SPECIES	2,695.00	Cd	33.02	88,975.70
	TREMBLING ASPEN	2,705.00	Cd	38.56	104,304.80
	PAPER BIRCH	256.00	Cd	11.62	2,974.00
	RED MAPLE	25.00	Cd	12.00	300.00
	BALSAM FIR	400.00	Cd	24.49	9,797.20
	BLACK SPRUCE	8,000.00	Cd	28.52	228,160.00
	TAMARACK	2,115.00	Cd	6.43	13,595.10
	WHITE CEDAR	5.00	Cd	6.90	34.50
	MIXED SPRUCE	1,060.00	Cd	17.12	18,147.20
BIOMASS	ANY LISTED SPECIES (optional)	9,335.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 18,819.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 313,659.51
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 493,647.76
TOTAL ACRES SOLD: 672.3
SOLD TRACT NUMBERS: 1, 2, 3, 5
TOTAL NUMBER OF TRACTS SOLD: 4

SUMMARY FOR UNSOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULPWOOD	BLACK SPRUCE	3,185.00	Cd	14.74	46,946.90
	TAMARACK	225.00	Cd	4.67	1,050.75
BIOMASS	ANY LISTED SPECIES (optional)	1,800.00	Tons	0.65	1,170.00

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 3,410.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 47,997.65
TOTAL ACRES UNSOLD: 139.7
UNSOLD TRACT NUMBER: 4
TOTAL NUMBER OF TRACTS UNSOLD: 1