



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
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 10:00 AM on Tuesday, January 5, 2021. All tracts were awarded at the Backus Area Office - Awarding at 1:00 PM on 1/5/2021 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.

Minnesota DNR is Certified to the Sustainable Forestry Initiative® and/or the Forest Stewardship Council®.
For information on our certificates go to mndnr.gov/forestry/certification/certificates.html



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY
REGULAR AUCTION
SEALED BID TIMBER SALE
BACKUS AREA

**SEALED BIDS MUST BE RECEIVED PRIOR TO
10:00 AM on January 5, 2021**

**Bids will be awarded at the following location:
Backus Area Office - Awarding at 1:00 PM on 1/5/2021 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. 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 (10:00 AM on January 5, 2021). 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 January 5, 2022, at the following Area Headquarters: Backus Area.

TRACT B1

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 82.1

Permit Number: B014869
Expiration Date: 05/31/2024

Purchased By: Dukek Logging Inc.

Address: 23873 Timber Trail Drive, Bemidji, MN 56601

NENE,NESW,NWSW,SENE,SESE,SWNW,SWSE of Section 9;

NENE,NESW,NWNE,NWSE,SENE,SESW,SWNE of Section 16 - Township 138, Range 31W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 76	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	1,386.00	Cd	32.87	45,557.82	57.85	80,180.10
+ ASPEN SPECIES	PULPWOOD	328.00	Cd	17.85	5,854.80	31.42	10,305.76
OAK SPECIES	PULPWOOD	81.00	Cd	14.70	1,190.70	14.70	1,190.70
MIXED SPRUCE	PULP & BOLTS	70.00	Cd	14.44	1,010.80	14.44	1,010.80
PAPER BIRCH	PULPWOOD	17.00	Cd	10.50	178.50	10.50	178.50
RED MAPLE	PULPWOOD	2.00	Cd	10.50	21.00	10.50	21.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$53,813.62
ADVANCE PAYMENT = \$8,072.04
BID TOTAL = \$ 92,886.86

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

ANY LISTED SPECIES BIOMASS 830.00 Tons 0.65 539.50

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 10%; Trembling Aspen 90%.
Mixed Spruce Pulp & Bolts includes: Black Spruce 5%; White Spruce 95%.
Oak Species Pulpwood includes: Bur Oak 10%; Red Oak 90%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 45%; Pulpwood 55%.
Norway Pine Woodsrunk Mixed Products includes: Bolts 75%; Pulpwood 5%; Sawtimber (Softwood Only) 20%.

Cutting and Felling:

- Harvest all Norway pine, red maple, oak species, aspen species, and paper birch in clear cut areas. In logger select area, harvest all species within a 12-14 foot access strip and space them every 40-50 feet. In marked thinning area, harvest all trees that are marked with ORANGE paint.

Season of Operations:

- Conduct sale operations on dry / 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:

The sale is located off of the Bull Moose Forest Road, which is approximately 7 miles from Backus, MN. There are some steep rolling hills on this sale. Sale consists of 3 main cutting prescriptions. 34 acres of marked thinning, 25 acres of logger select first entry spruce thinning and 24 acres of final harvest pine clear cut.

Price Adjustments:

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

Appraiser:

Joseph Louis Connelly

(Appraisal ID 16391-0; Cutting Block ID 19055-0)

TRACT B2 COUNTY: CASS AREA: BACKUS AREA ACRES: 89.1

Permit Number: B014870
 Expiration Date: 05/31/2024

Purchased By: Sappi Cloquet LLC
 Address: 20 N. 22nd Street, Cloquet, MN 55720

NENE,NESE,NWSE,SENE,SESE,SWSE of Section 16 - Township 139, Range 28W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 87	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	1,737.00	Cd	17.85	31,005.45	33.38	57,981.06
+ OAK SPECIES	PULP & BOLTS	760.00	Cd	17.01	12,927.60	31.81	24,175.60
+ PAPER BIRCH	PULP & BOLTS	246.00	Cd	12.39	3,047.94	23.17	5,699.82
MAPLE SPECIES	PULPWOOD	171.00	Cd	10.50	1,795.50	10.50	1,795.50
NORWAY PINE	PULP & BOLTS	107.00	Cd	20.98	2,244.86	20.98	2,244.86
ASH	PULPWOOD	40.00	Cd	6.30	252.00	6.30	252.00
BASSWOOD	PULPWOOD	7.00	Cd	7.35	51.45	7.35	51.45

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$51,324.80
 BID TOTAL = \$ 92,200.29
 ADVANCE PAYMENT = \$7,698.72

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

ANY LISTED SPECIES BIOMASS 1,432.00 Tons 0.65 930.80

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 25%; Trembling Aspen 75%.
 Maple Species Pulpwood includes: Red Maple 85%; Sugar Maple 15%.
 Oak Species Pulp & Bolts includes: Bur Oak 2%; Red Oak 98%.

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 59%; Pulpwood 41%.
 Oak Species Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.
 Paper Birch Pulp & Bolts includes: Bolts 18%; Pulpwood 82%.

Cutting and Felling:

- Harvest all bur oak, paper birch, red maple, sugar maple, ash, aspen, basswood, Norway pine, and unmarked red oak in harvest area. In pine thinning area, harvest all species within a 12-14 foot access strip and space them every 40-50 feet apart. In areas between access strips remove 10-15% of trees to a final BA of 100 sq. ft/ac by selecting trees and by removing poor quality and suppressed trees to release dominant, well-formed, single topped trees. Selection should be systematically throughout cutting area and not in clumps to provide equal spacing between crop trees. Northern Hardwoods should only be removed in access rows or when in direct competition to the crown of a Norway pine tree, do not harvest any other Northern Hardwoods.

Season of Operations:

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

Sale Conditions:

- Access is across State land.

Marketing Conditions:

The sale area is located off of 16th St NE, Longville MN. The sale area is located approximately 3 miles East of Hay lake. There is a hunter walking trail that goes through and along most of the north cutting area. Care will be needed on this route when hauling starts to ensure no damage occurs. South cutting area has approximately 14 acres marked as a shelterwood. Operator will need to work around scattered residual trees throughout this area.

Portions of this sale could potentially be harvested during extremely dry conditions but only with written permission from the State.

Price Adjustments:

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

Appraiser:

Joseph Louis Connelly

(Appraisal ID 16356-0; Cutting Block ID 18966-0)

TRACT B3 COUNTY: CASS AREA: BACKUS AREA ACRES: 124.0

Permit Number: B014871
Expiration Date: 05/31/2024

Purchased By: Rieger Logging Inc.
Address: 61559 Co Road 26, Northome, MN 56661

NWNE of Section 31; NESW,NWSW,SESW,SWSW of Section 33; NESE,SENE of Section 32; SESE of Section 29 - Township 140, Range 27W.
NENE,NENW,NWNE,SENE,SWNE of Section 29 - Township 140, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 116	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	PULP & BOLTS	1,382.00	Cd	13.08	18,076.56	28.25	39,041.50
ASPEN SPECIES	PULPWOOD	36.00	Cd	14.45	520.20	14.45	520.20
PAPER BIRCH	PULPWOOD	26.00	Cd	8.50	221.00	8.50	221.00
SPRUCE-BALSAM	PULPWOOD	8.00	Cd	5.17	41.36	5.17	41.36
MAPLE SPECIES	PULPWOOD	4.00	Cd	8.50	34.00	8.50	34.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$18,893.12 BID TOTAL = \$ 39,858.06
 ADVANCE PAYMENT = \$2,833.97

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

ANY LISTED SPECIES BIOMASS 152.00 Tons 0.65 98.80

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 1%; Trembling Aspen 99%.
Maple Species Pulpwood includes: Red Maple 99%; Sugar Maple 1%.
Pine Species Pulp & Bolts includes: Jack Pine 4%; Norway Pine 96%.
Spruce-Balsam Pulpwood includes: Balsam Fir 92%; White Spruce 8%.

Mixed Product Description:

Pine Species Pulp & Bolts includes: Bolts 57%; Pulpwood 43%.

Cutting and Felling:

- Harvest all YELLOW marked trees (Cutting Block 1).
- Harvest all pine species, aspen species, maple species, paper birch, white spruce and balsam fir in clearcut area (Cutting Block 2).
- In thinning areas harvest all species within a 12-14 foot access strip and space them every 40-50 feet. In areas between access strips remove 10-15% of trees to a final BA of 120 sqft per acre by selecting trees by removing poor quality and suppressed trees to release dominant, well formed, single topped trees. Selection should be systematically throughout cutting area and not in clumps to provide equal spacing between row/reserve trees. Northern Hardwoods and balsam fir should only be removed in access rows or when in direct competition to the crown of Norway pine trees, reserve all other northern hardwoods and balsam fir (Cutting Block 2).

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:

Both cutting blocks are in the Centennial state forest. Cutting Block 1 is a second entry marked pine thinning two miles down the Centennial forest road off of County Rd 55.

Cutting block 2 consists of three first entry pine thinning's and one final harvest pine site. Three of the stands are down MMR 1868 off the Centennial Forest Rd. One thinning will require 1/8 mile of new road to be dozed in off the Centennial State

Forest Rd through a pine plantation on State land.

Price Adjustments:

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

Appraiser:

Devon Andrew Wenthe

(Appraisal ID 16372-0; Cutting Block ID 18926-0, 18914-0)

TRACT B4 COUNTY: CASS AREA: BACKUS AREA ACRES: 30.6

Permit Number: B014872
Expiration Date: 05/31/2024

Purchased By: Rieger Logging Inc.
Address: 61559 Co Road 26, Northome, MN 56661

SENE, SENW, SWNE of Section 33 - Township 141, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 42	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	598.00	Cd	17.85	10,674.30	25.35	15,159.30
+ ASH	PULP & BOLTS	252.00	Cd	9.42	2,373.84	13.38	3,371.76
+ PAPER BIRCH	PULP & BOLTS	93.00	Cd	14.91	1,386.63	21.17	1,968.81
+ OAK SPECIES	PULP & BOLTS	63.00	Cd	18.05	1,137.15	25.63	1,614.69
MAPLE SPECIES	PULPWOOD	37.00	Cd	10.50	388.50	10.50	388.50
BASSWOOD	PULP & BOLTS	20.00	Cd	11.25	225.00	11.25	225.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$16,185.42 BID TOTAL = \$ 22,728.06
 ADVANCE PAYMENT = \$2,427.81

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

BALSAM FIR	PULPWOOD	7.00	Cd	6.30	44.10
ANY LISTED SPECIES	BIOMASS	713.00	Tons	0.65	463.45

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 10%; Trembling Aspen 90%.
 Maple Species Pulpwood includes: Red Maple 20%; Sugar Maple 80%.
 Oak Species Pulp & Bolts includes: Bur Oak 20%; Red Oak 80%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 33%; Pulpwood 67%.
 Basswood Pulp & Bolts includes: Bolts 53%; Pulpwood 47%.
 Oak Species Pulp & Bolts includes: Bolts 29%; Pulpwood 71%.
 Paper Birch Pulp & Bolts includes: Bolts 42%; Pulpwood 58%.

Cutting and Felling:

- Harvest all aspen species, ash, paper birch, oak species, maple species, and basswood.

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 county land.
 - Permission to cross county land must be obtained by permittee.

Marketing Conditions:

This sale is a clear cut with scattered and patch reserves that is approximately 6 miles east of Longville off of Danens Drive.
 Approximately 0.2 miles of existing access road will need to be re-opened through USFS and county land.

Price Adjustments:

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

Appraiser:

Mary R. Kordiak

(Appraisal ID 16273-0; Cutting Block ID 18962-0)

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: January 5, 2021

- SUMMARY SHEET -

01/05/2021 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 01/20/2021

BACKUS AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASH	252.00	Cd	13.38	3,371.76
	PAPER BIRCH	339.00	Cd	22.62	7,668.63
	BASSWOOD	20.00	Cd	11.25	225.00
	OAK SPECIES	823.00	Cd	31.34	25,790.29
	PINE SPECIES	1,382.00	Cd	28.25	39,041.50
	NORWAY PINE	107.00	Cd	20.98	2,244.86
	MIXED SPRUCE	70.00	Cd	14.44	1,010.80
WOODSRUN MIXED PRODUCTS	NORWAY PINE	1,386.00	Cd	57.85	80,180.10
PULPWOOD	ASH	40.00	Cd	6.30	252.00
	ASPEN SPECIES	2,699.00	Cd	31.11	83,966.32
	PAPER BIRCH	43.00	Cd	9.29	399.50
	MAPLE SPECIES	212.00	Cd	10.46	2,218.00
	RED MAPLE	2.00	Cd	10.50	21.00
	BASSWOOD	7.00	Cd	7.35	51.45
	OAK SPECIES	81.00	Cd	14.70	1,190.70
	SPRUCE-BALSAM	8.00	Cd	5.17	41.36
	BALSAM FIR (optional)	7.00	Cd	-	0.00
BIOMASS	ANY LISTED SPECIES (optional)	3,127.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 7,478.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 140,216.96
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 247,673.27
TOTAL ACRES SOLD: 325.8
TOTAL NUMBER OF TRACTS SOLD: 4