

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, LEWISTON AREA, NEW ULM AREA

STATUS: COMPLETED INTERMEDIATE AUCTION - SALE #2 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 8, 2021. All tracts were awarded at the Bid Award Location at Cambridge Forestry Office at 11:00 AM on 06/09/2021 in Cambridge, 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 DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

INTERMEDIATE AUCTION
SEALED BID TIMBER SALE
LITTLE FALLS AREA, SANDSTONE AREA, LEWISTON AREA, NEW ULM AREA

SEALED BIDS MUST BE RECEIVED PRIOR TO 2:00 PM on June 8, 2021 Bids will be awarded at the following location:

Bid Award Location at Cambridge Forestry Office at 11:00 AM on 06/09/2021 in Cambridge, 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 (2:00 PM on June 8, 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 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 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'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 8, 2022, at the following Area Headquarters: Little Falls Area, Sandstone Area, Lewiston Area, New Ulm 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.

ACRES: 23.7

TRACT X1 COUNTY: KANABEC AREA: LITTLE FALLS AREA

Permit Number: X018010 Expiration Date: 05/31/2024

Purchased By:
Address:

NENW, NWNE of Section 9; SESW of Section 4 - Township 40, Range 25W.

					APPRAISED		BID:	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	PULPWOOD	457.00	Cd	11.90	5,438.30	11.90	5,438.30
	RED MAPLE	PULPWOOD	28.00	Cd	6.80	190.40	6.80	190.40
	SUGAR MAPLE	PULPWOOD	5.00	Cd	6.80	34.00	6.80	34.00
	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$5,662.70 \$849.41	BID TOTA	L = \$ 5,662.70

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

ANY LISTED SPECIES BIOMASS 592.00 Tons 0.65 384.80

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 50%; Trembling Aspen 50%.

Cutting and Felling:

- Harvest all Aspen and Maple.
- Reserve all oak, basswood, birch and ash.

Season of Operations:

- Oak wilt is within 20 miles and poses a threat. No sale operations allowed from April 1-July 15 due to oak wilt concerns, unless with written permission from State.
- No weekend sale operation allowed between September 15th and December 15th, without written permission from State.
- No sale operations allowed during firearms / muzzleloader deer seasons.
- Conduct sale operations, felling, skidding, hauling on frozen soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across Mille Lacs WMA land.

Marketing Conditions:

(N/A)

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: -10%

Stand Density: 0%

Operational Constraints: -5% Other Price Factor: 0%

Appraiser:

Peter R. Willis

(Appraisal ID 16035-0; Cutting Block ID 18603-0)

TRACT X2 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 7.3

Permit Number: X018011 Expiration Date: 05/31/2024

Purchased By:
Address:

SWSW of Section 20 - Township 42, Range 17W.

					APPRAISED			
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASH	PULPWOOD	68.00	Cd	4.75	323.00	4.75	323.00
	PAPER BIRCH	PULPWOOD	5.00	Cd	8.55	42.75	8.55	42.75
	RED MAPLE	PULPWOOD	5.00	Cd	8.55	42.75	8.55	42.75
	BASSWOOD	PULPWOOD	2.00	Cd	5.70	11.40	5.70	11.40
	ASPEN SPECIES	PULPWOOD	1.00	Cd	15.18	15.18	15.18	15.18
	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = EPAYMENT =	\$435.08 \$65.26	BID TOT	AL = \$ 435.08

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

ANY LISTED SPECIES BIOMASS 58.00 Tons 0.62 35.96

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 1%; Trembling Aspen 99%.

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:

This sale is a wet ash site located on a township road (Mayfield Road). If using the township road to access the sale, the appropriate authorities must be contacted prior to use.

The trees on site are of average quality. The site will need to be fully frozen in order to do any operations.

Price Adjustments:

Road Construction Costs: +5% Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: -10% Other Price Factor: 0%

Appraiser:

Madisson R. Masucci

(Appraisal ID 16827-0; Cutting Block ID 19348-0)

TRACT X3 COUNTY: MILLE LACS AREA: LITTLE FALLS AREA ACRES: 21.0

Permit Number: X018012 Expiration Date: 05/31/2024

Purchased By: Hennen Enterprises LLC

Address: 24031 - 133rd Street, Pierz, MN 56364

NENE, NENW, NWNE of Section 28 - Township 42, Range 27W.

					APP	APPRAISED		%: 25
					UNIT		UNIT	
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	RED OAK	PULP & BOLTS	240.00	Cd	33.94	8,145.60	42.43	10,183.20
+	BASSWOOD	PULP & BOLTS	220.00	Cd	8.40	1,848.00	10.50	2,310.00
	BUR OAK	PULP & BOLTS	45.00	Cd	18.68	840.60	18.68	840.60
	ASH	PULP & BOLTS	30.00	Cd	10.25	307.50	10.25	307.50
	ASPEN SPECIES	PULPWOOD	13.00	Cd	16.80	218.40	16.80	218.40
	MAPLE SPECIES	PULPWOOD	5.00	Cd	9.60	48.00	9.60	48.00
	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SE PAYMENT =	\$11,408.10 \$1,711.22	BID TOTA	L = \$ 13,907.70

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

ANY LISTED SPECIES BIOMASS 326.00 Tons 0.65 211.90

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 50%; Trembling Aspen 50%.

Maple Species Pulpwood includes: Red Maple 50%; Sugar Maple 50%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 15%; Pulpwood 78%; Sawlog-Grade 1 (Hardwood) 2%; Sawlog-Grade 2 (Hardwood) 5%.

Basswood Pulp & Bolts includes: Bolts 15%; Pulpwood 80%; Sawlog-Grade 2 (Hardwood) 5%.

Bur Oak Pulp & Bolts includes: Bolts 9%; Pulpwood 90%; Sawlog-Grade 2 (Hardwood) 1%.

Red Oak Pulp & Bolts includes: Bolts 27%; Pulpwood 61%; Sawlog-Grade 1 (Hardwood) 1%; Sawlog-Grade 2 (Hardwood) 11%.

Cutting and Felling:

- Harvest all unmarked merchantable red oak, bur oak, basswood, ash, aspen, and maple species within the harvest area.
- Reserve all non listed species as well as all trees marked with green paint.

Season of Operations:

- Oak wilt is within 20 miles and poses a threat. No sale operations allowed from April 1 to July 31 due to oak wilt concerns, unless with written permission from State.
- Conduct all sale operations on frozen ground soil conditions only, except with written permission from State.

Landings Roads and Trails:

- The location and construction of all roads and trails must be pre-approved by the State.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

This sale is located at the end of the Stark/Wuff forest road about 5 miles /NW of Onamia MN.

Price Adjustments:

Road Construction Costs: +10% Haul Distance to Nearest Mill: 0%

Stand Density: +10% Operational Constraints: 0%

06/08/2021 INTERMEDIATE AUCTION - SALE #2

Other Price Factor: 0%

Appraiser:

Paul Jay Kedrowski

(Appraisal ID 15976-0; Cutting Block ID 18585-0)

TRACT X4 COUNTY: HOUSTON AREA: LEWISTON AREA ACRES: 18.2

Permit Number: X018013 Expiration Date: 07/15/2024

Purchased By:
Address:

NENE, SENE of Section 15 - Township 102, Range 4W.

				APPR	APPRAISED		
SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+* RED OAK	SAWTIMBER (HARDWOOD ONLY)	32.84	MBF	268.34	8,812.29	268.34	8,812.29
+* BLACK WALNUT	SAWTIMBER (HARDWOOD ONLY)	13.62	MBF	2,439.79	33,229.94	2,439.79	33,229.94
* BLACK OAK	SAWTIMBER (HARDWOOD ONLY)	11.30	MBF	102.17	1,154.52	102.17	1,154.52
* SUGAR MAPLE	SAWTIMBER (HARDWOOD ONLY)	8.53	MBF	231.15	1,971.71	231.15	1,971.71
* WHITE OAK	SAWTIMBER (HARDWOOD ONLY)	3.00	MBF	201.74	605.22	201.74	605.22
* BASSWOOD	SAWTIMBER (HARDWOOD ONLY)	1.41	MBF	59.98	84.57	59.98	84.57
* GREEN ASH	SAWTIMBER (HARDWOOD ONLY)	0.59	MBF	110.60	65.25	110.60	65.25
* HACKBERRY	SAWTIMBER (HARDWOOD ONLY)	0.27	MBF	55.61	15.01	55.61	15.01
* BLACK CHERRY	SAWTIMBER (HARDWOOD ONLY)	0.14	MBF	170.90	23.93	170.90	23.93
* BITTERNUT HICKORY	SAWTIMBER (HARDWOOD ONLY)	0.05	MBF	30.00	1.50	30.00	1.50
+ BID SPECIES * SOLE	ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$45,963.94 \$6,894.59	BID TOTA	L = \$ 45,963.94

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

* MIXED HARDWOODS PULP & BOLTS 50.00 Cd 7.00 350.00

Mixed Species Description:

Mixed Hardwoods Pulp & Bolts includes: Basswood 1%; Bitternut Hickory 1%; Black Cherry 1%; Black Oak 16%; Black Walnut 17%; Green Ash 1%; Hackberry 1%; Red Oak 45%; Shagbark Hickory 1%; Sugar Maple 12%; White Oak 4%.

Mixed Product Description:

Basswood Sawtimber (Hardwood Only) includes: Sawlog-Grade 1 (Hardwood) 26%; Sawlog-Grade 2 (Hardwood) 65%; Sawlog-Grade 3 (Hardwood) 9%.

Bitternut Hickory Sawtimber (Hardwood Only) includes: Sawlog-Grade 3 (Hardwood) 100%.

Black Cherry Sawtimber (Hardwood Only) includes: Sawlog-Grade 1 (Hardwood) 73%; Sawlog-Grade 2 (Hardwood) 27%.

Black Oak Sawtimber (Hardwood Only) includes: Biomass 32%; Sawlog-Grade 2 (Hardwood) 63%; Sawlog-Grade 3 (Hardwood) 4%; Select (Hardwood) 1%.

Black Walnut Sawtimber (Hardwood Only) includes: Prime (Hardwood) 26%; Sawlog-Grade 1 (Hardwood) 39%;

Sawlog-Grade 2 (Hardwood) 29%; Sawlog-Grade 3 (Hardwood) 1%; Select (Hardwood) 5%.

Green Ash Sawtimber (Hardwood Only) includes: Sawlog-Grade 1 (Hardwood) 43%; Sawlog-Grade 2 (Hardwood) 57%.

Hackberry Sawtimber (Hardwood Only) includes: Sawlog-Grade 1 (Hardwood) 51%; Sawlog-Grade 2 (Hardwood) 29%; Sawlog-Grade 3 (Hardwood) 20%.

Mixed Hardwoods Pulp & Bolts includes: Bolts 25%; Pulpwood 75%.

Red Oak Sawtimber (Hardwood Only) includes: Prime (Hardwood) 18%; Sawlog-Grade 1 (Hardwood) 39%; Sawlog-Grade 2 (Hardwood) 33%; Sawlog-Grade 3 (Hardwood) 2%; Select (Hardwood) 8%.

Sugar Maple Sawtimber (Hardwood Only) includes: Prime (Hardwood) 4%; Sawlog-Grade 1 (Hardwood) 26%; Sawlog-Grade 2 (Hardwood) 65%; Sawlog-Grade 3 (Hardwood) 5%.

White Oak Sawtimber (Hardwood Only) includes: Prime (Hardwood) 6%; Sawlog-Grade 1 (Hardwood) 16%; Sawlog-Grade 2 (Hardwood) 64%; Sawlog-Grade 3 (Hardwood) 8%; Select (Hardwood) 6%.

Marketing Conditions:

Sale is 4 miles South of Brownsville on Hillside Drive, off of Country Road 3 and Highway 26. Access is across a privately owned field.

Tree count is as follows:

Total - 298

Red Oak - 138

Black Oak - 67

Sugar Maple - 35

White Oak - 20

Black Walnut - 15

Basswood - 12

Shagbark Hickory - 4

Hackberry - 3

Green Ash - 2

Bitternut Hickory - 1

Black Cherry - 1

This is a Sold on Appraised Volume sale (SOAV). State law requires DNR appraisers to meet accuracy standards set by the Commissioner. To ensure these are being met, the Timber Administrator (TSA) has the option to scale any or all of the wood products from this permit before they are removed from the permit landing, or require the completion of the DNR Report of Timber Cut and Removed, or request copies of any mill tally or load receipts.

Price Adjustments:

Road Construction Costs: +5% Haul Distance to Nearest Mill: +5%

Stand Density: -10%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Ryan Thurman

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, LEWISTON AREA, NEW ULM AREA

The right is reserved to reject any and all bids.

For the Commissioner
MINNESOTA DEPARTMENT OF NATURAL RESOURCES

Dated: June 8, 2021

LITTLE FALLS AREA, SANDSTONE AREA, LEWISTON AREA, NEW ULM AREA

	SUMMARY FOR SOLD TRACTS								
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE				
PULP & BOLTS	ASH	30.00	Cd	10.25	307.50				
	BASSWOOD	220.00	Cd	10.50	2,310.00				
	RED OAK	240.00	Cd	42.43	10,183.20				
	BUR OAK	45.00	Cd	18.68	840.60				
PULPWOOD	ASPEN SPECIES	13.00	Cd	16.80	218.40				
	MAPLE SPECIES	5.00	Cd	9.60	48.00				
BIOMASS	ANY LISTED SPECIES (optional)	326.00	Tons	-	0.00				

TOTAL SOLD TRACTS CONVERTED TO CORDS: 553.00

TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 11,408.10

TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 13,907.70

TOTAL ACRES SOLD: 21.0

SOLD TRACT NUMBER: 3

TOTAL NUMBER OF TRACTS SOLD: 1

SUMMARY FOR <u>UNSOLD</u> TRACTS								
		TOTAL		AVERAGE	APPRAISED			
PRODUCT	SPECIES	VOLUME	UNIT	UNIT PRICE	\$ VALUE			
PULPWOOD	ASH	68.00	Cd	4.75	323.00			
	ASPEN SPECIES	458.00	Cd	11.91	5,453.48			
	PAPER BIRCH	5.00	Cd	8.55	42.75			
	RED MAPLE	33.00	Cd	7.07	233.15			
	SUGAR MAPLE	5.00	Cd	6.80	34.00			
	BASSWOOD	2.00	Cd	5.70	11.40			
BIOMASS	ANY LISTED SPECIES (optional)	650.00	Tons	0.65	420.76			

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 571.00

TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$6,097.78

TOTAL ACRES UNSOLD: 31.0

UNSOLD TRACT NUMBERS: 1, 2

TOTAL NUMBER OF TRACTS UNSOLD: 2

	SUMMARY FOR CAN	CELED TRACT	S		
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	MIXED HARDWOODS (optional)	50.00	Cd	7.00	350.00
SAWTIMBER (HARDWOOD	SUGAR MAPLE	8.53	MBF	231.15	1,971.71
ONLY)	BASSWOOD	1.41	MBF	59.98	84.57
	BLACK WALNUT	13.62	MBF	2,439.79	33,229.94
	BLACK CHERRY	0.14	MBF	170.93	23.93
	RED OAK	32.84	MBF	268.34	8,812.29
	BLACK OAK	11.30	MBF	102.17	1,154.52
	WHITE OAK	3.00	MBF	201.74	605.22
	GREEN ASH	0.59	MBF	110.59	65.25
	BITTERNUT HICKORY	0.05	MBF	30.00	1.50
	HACKBERRY	0.27	MBF	55.59	15.01

TOTAL CANCELED TRACTS CONVERTED TO CORDS: 193.50
CANCELED TRACT NUMBER: 4
TOTAL NUMBER OF TRACTS CANCELED: 1