



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

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

Notice is hereby given that I will offer for sale at public auction in Backus, MN at 9:00 AM on Monday, July 11, 2022, timber belonging to the State of Minnesota. All tracts will be offered at the Backus DNR Forestry Office in Backus, MN.

All of the timber offered is SFI and FSC certified.

The following pages list the lands upon which the timber is located, the estimated quantities of timber that will be offered, and the appraised 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
ORAL BID TIMBER SALE
BACKUS AREA

9:00 AM on July 11, 2022
Backus DNR Forestry Office 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 July 11, 2023, at the following Area Headquarters: Backus Area.

TRACT B1 COUNTY: CASS AREA: BACKUS AREA ACRES: 71.1

Permit Number: B015462
Expiration Date: 05/31/2023

Purchased By: _____

NESE,NWSE,SESE,SESW,SWSE of Section 19; NENW,NWNE,SENW,SWNE of Section 30 - Township 137, Range 31W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ OAK SPECIES	PULP & BOLTS	1,379.00	Cd	8.38	11,556.02		
+ ASPEN SPECIES	PULPWOOD	385.00	Cd	9.83	3,784.55		
+ PAPER BIRCH	PULPWOOD	315.00	Cd	5.18	1,631.70		
BASSWOOD	PULPWOOD	203.00	Cd	3.62	734.86		
MAPLE SPECIES	PULPWOOD	90.00	Cd	5.18	466.20		
NORWAY PINE	PULP & BOLTS	45.00	Cd	10.87	489.15		

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$18,662.48
ADVANCE PAYMENT = \$2,799.37

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

ANY LISTED SPECIES BIOMASS 1,416.00 Tons 0.65 920.40

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 60%; Trembling Aspen 40%.
Maple Species Pulpwood includes: Red Maple 20%; Sugar Maple 80%.
Oak Species Pulp & Bolts includes: Bur Oak 1%; Red Oak 99%.

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.
Oak Species Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.

Cutting and Felling:

- Harvest all oak, paper birch, aspen, basswood, Norway pine and maple except reserves.

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 off Snoway 1, southeast of Spider lake.
This sale has approximately 85% damaged and is a mix of leaning, snapped off and root tipped from the Memorial Day 2022 storm.

Price Adjustments:

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

Appraiser:

Brody J. Geiselman

Sale terms are included. 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: June 29, 2022

- SUMMARY SHEET -

07/11/2022 REGULAR AUCTION - SALE #1

FINAL - DATA AS OF 06/29/2022

BACKUS AREA

SUMMARY FOR ALL TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	OAK SPECIES	1,379.00	Cd	8.38	11,556.02
	NORWAY PINE	45.00	Cd	10.87	489.15
PULPWOOD	ASPEN SPECIES	385.00	Cd	9.83	3,784.55
	PAPER BIRCH	315.00	Cd	5.18	1,631.70
	MAPLE SPECIES	90.00	Cd	5.18	466.20
	BASSWOOD	203.00	Cd	3.62	734.86
BIOMASS	ANY LISTED SPECIES (optional)	1,416.00	Tons	0.65	920.40

TOTAL SALE CONVERTED TO CORDS: 2,417.00
TOTAL APPRAISED DOLLAR VALUE OF SALE: \$ 18,662.48
TOTAL BID-UP DOLLAR VALUE OF SALE: -
TOTAL ACRES: 71.1
TOTAL NUMBER OF TRACTS: 1