



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 Tuesday, January 3, 2023, 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.

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

9:30 AM on January 3, 2023
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 January 3, 2024, at the following Area Headquarters: Backus Area.

TRACT B1

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 65.0

Permit Number: B015565
Expiration Date: 05/31/2026

Purchased By: Greg Cook Logging Inc.
Address: 35367 Cty Rd 237, Bigfork, MN 56628

GL04,NWSE,SESE,SWSE of Section 1 - Township 139, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 95	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	1,777.00	Cd	20.90	37,139.30	40.76	72,430.52
MAPLE SPECIES	PULPWOOD	156.00	Cd	11.00	1,716.00	11.00	1,716.00
TAMARACK	PULPWOOD	150.00	Cd	6.60	990.00	6.60	990.00
MIXED SPRUCE	PULP & BOLTS	119.00	Cd	12.10	1,439.90	12.10	1,439.90
BALSAM FIR	PULPWOOD	108.00	Cd	5.50	594.00	5.50	594.00
BASSWOOD	PULPWOOD	83.00	Cd	7.70	639.10	7.70	639.10
PAPER BIRCH	PULPWOOD	36.00	Cd	11.00	396.00	11.00	396.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$42,914.30	BID TOTAL = \$	78,205.52
				ADVANCE PAYMENT =	\$6,437.15		

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

ANY LISTED SPECIES BIOMASS 1,068.00 Tons 0.65 694.20

Mixed Species Description:

Maple Species Pulpwood includes: Red Maple 50%; Sugar Maple 50%.
Mixed Spruce Pulp & Bolts includes: Black Spruce 92%; White Spruce 8%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.

Cutting and Felling:

- Harvest all listed species in harvest area 1. In harvest area 2, harvest all spruce, balsam fir, birch, aspen, and tamarack, with the exception of tamarack reserves.
- 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 county land.
- Permission to cross county land must be obtained by permittee.
- Access crosses through a utility corridor. No more than 10 tons/axle may cross at the designated crossing locations.

Marketing Conditions:

The sale is located approximately 8 miles northeast of Outing, MN near the Pikus Forest Road.

Price Adjustments:

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

Appraiser:

William H. Salo

TRACT B2

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 90.6

Permit Number: B015566
Expiration Date: 05/31/2026

Purchased By:
Address:

UNSOLD

NENE,NWNE,NWSE,NWSW,SENE,SWNE,SWSE,SWSW of Section 36 - Township 139, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	1,157.00	Cd	12.92	14,948.44	12.92	14,948.44
+ ASH	PULP & BOLTS	407.00	Cd	6.71	2,730.97	6.71	2,730.97
+ MAPLE SPECIES	PULPWOOD	395.00	Cd	6.80	2,686.00	6.80	2,686.00
+ MIXED SPRUCE	PULP & BOLTS	311.00	Cd	6.26	1,946.86	6.26	1,946.86
+ BUR OAK	PULP & BOLTS	103.00	Cd	12.59	1,296.77	12.59	1,296.77
+ BALSAM FIR	PULP & BOLTS	50.00	Cd	8.48	424.00	8.48	424.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL =	\$24,033.04	BID TOTAL = \$	24,033.04
ADVANCE PAYMENT =	\$3,604.96		

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

ANY LISTED SPECIES	BIOMASS	1,515.00	Tons	0.65	984.75
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Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 5%; Trembling Aspen 95%.
 Maple Species Pulpwood includes: Red Maple 95%; Sugar Maple 5%.
 Mixed Spruce Pulp & Bolts includes: Black Spruce 95%; White Spruce 5%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 43%; Pulpwood 57%.
 Balsam Fir Pulp & Bolts includes: Bolts 44%; Pulpwood 56%.
 Bur Oak Pulp & Bolts includes: Bolts 41%; Pulpwood 59%.
 Mixed Spruce Pulp & Bolts includes: Bolts 11%; Pulpwood 89%.

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.

Landings, Roads, and Trails:

- Use only snow / ice in 5' flowage crossing.

Sale Conditions:

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

Marketing Conditions:

This sale consists of 3 stands to be clear cut. They are located 7.5 miles east of Emily north of Little Pine road. There will be approximately 1 mile of new road that will require minimal clearing, but most of it will have to be froze down. To get to the north clear cut there is a 5 foot flowage that will have to be crossed using only snow/ice in the flowage, but billets/mats can be used to cross.

Price Adjustments:

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

Operational Constraints: -10%
Other Price Factor: -15% (reoffered wood)

Appraiser:

Mary R. Corty

(Appraisal ID 17510-0; Cutting Block ID 20366-0)

TRACT B3

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 46.1

Permit Number: B015567
Expiration Date: 05/31/2026

Purchased By:
Address:

UNSOLD

GL02,NWNE,SWNE of Section 19 - Township 140, Range 28W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ MAPLE SPECIES	PULPWOOD	253.00	Cd	11.50	2,909.50	11.50	2,909.50
+ ASPEN SPECIES	PULP & BOLTS	187.00	Cd	21.85	4,085.95	21.85	4,085.95
OAK SPECIES	PULP & BOLTS	87.00	Cd	21.16	1,840.92	21.16	1,840.92
BASSWOOD	PULPWOOD	75.00	Cd	8.05	603.75	8.05	603.75
PAPER BIRCH	PULP & BOLTS	71.00	Cd	12.65	898.15	12.65	898.15
ASH	PULPWOOD	25.00	Cd	6.90	172.50	6.90	172.50

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL =	\$10,510.77	BID TOTAL = \$	10,510.77
ADVANCE PAYMENT =	\$1,576.62		

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

ANY LISTED SPECIES	BIOMASS	428.00 Tons	0.65	278.20
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Mixed Species Description:

Aspen Species Pulp & Bolts includes: Largetooth Aspen 20%; Trembling Aspen 80%.
 Maple Species Pulpwood includes: Red Maple 65%; Sugar Maple 35%.
 Oak Species Pulp & Bolts includes: Bur Oak 10%; Red Oak 90%.

Mixed Product Description:

Aspen Species Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.
 Oak Species Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
 Paper Birch Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Cutting and Felling:

- Harvest all aspen species, maple species, oak species, basswood, paper birch, and ash in CLEAR CUT AREA. In MARKED THINNING AREA, harvest all species that are within ORANGE boundary marked gap cut areas, and harvest all PINK marked trees that are in the marked access trails.

Season of Operations:

- Conduct sale operations on dry / frozen soil conditions only, except with written permission from State.
 - Timber harvesting activities utilizing wheeled or tracked equipment must be conducted during the period of October 1st - April 30th or during the period of July 15th - August 7th due to a known endangered, threatened, or special concern species occurrence. Hauling timber on roads and trails that existed prior to harvest is allowed at any time.

Sale Conditions:

- Access is available publicly via township roads and may be available across private land. Permission to cross private land must be obtained by permittee.

Marketing Conditions:

The sale area is on the south side of Women Lake, roughly 10 miles east of Hackensack, MN. Access is best via Island View Rd NE which directly connects to State 84 NE.

The east boundaries of the sale are steep slopes that are inoperable. There is a PRIVATE road (Ridge View Ln NE) that goes through the east side of the sale. Permission to haul on this road must be obtained by permittee.

Price Adjustments:

Road Construction Costs: +10%

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

Appraiser:

Joseph Louis Connelly

(Appraisal ID 18249-0; Cutting Block ID 21156-0)

TRACT B4 COUNTY: CASS AREA: BACKUS AREA ACRES: 56.0

Permit Number: B015568
Expiration Date: 05/31/2026

Purchased By: Andy Michalek Logging Inc.
Address: 54529 Michalek Road, Blackduck, MN 56630-2059

NENW,NWNW,SENW,SWNW of Section 36 - Township 141, Range 29W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 33	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	1,765.00	Cd	63.60	112,254.00	84.59	149,301.35
+ ASPEN SPECIES	PULPWOOD	817.00	Cd	22.80	18,627.60	30.32	24,771.44
OAK SPECIES	PULP & BOLTS	118.00	Cd	24.72	2,916.96	24.72	2,916.96
PAPER BIRCH	PULP & BOLTS	107.00	Cd	18.72	2,003.04	18.72	2,003.04
MAPLE SPECIES	PULPWOOD	83.00	Cd	12.00	996.00	12.00	996.00
WHITE PINE	PULP & BOLTS	60.00	Cd	26.52	1,591.20	26.52	1,591.20
BALSAM FIR	PULP & BOLTS	13.00	Cd	16.20	210.60	16.20	210.60
BASSWOOD	PULP & BOLTS	9.00	Cd	12.60	113.40	12.60	113.40
JACK PINE	PULP & BOLTS	5.00	Cd	21.60	108.00	21.60	108.00
WHITE SPRUCE	PULP & BOLTS	5.00	Cd	20.40	102.00	20.40	102.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$138,922.80 BID TOTAL = \$ 182,113.99
 ADVANCE PAYMENT = \$20,838.42

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

ANY LISTED SPECIES BIOMASS 1,373.00 Tons 0.65 892.45

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 20%; Trembling Aspen 80%.
Maple Species Pulpwood includes: Red Maple 60%; Sugar Maple 40%.
Oak Species Pulp & Bolts includes: Bur Oak 12%; Red Oak 88%.

Mixed Product Description:

Balsam Fir Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.
Basswood Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.
Jack Pine Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.
Norway Pine Woodsrunk Sawtimber (Softwood only) includes: Bolts 17%; Pulpwood 15%; Sawtimber (Softwood Only) 68%.
Oak Species Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.
Paper Birch Pulp & Bolts includes: Bolts 56%; Pulpwood 44%.
White Pine Pulp & Bolts includes: Bolts 70%; Pulpwood 30%.
White Spruce Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.

Cutting and Felling:

- Harvest unmarked Norway pine, white pine, aspen species, oak species, maple species, basswood, birch, jack pine, white spruce, and balsam fir in both cutting areas.

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 4 miles west of Longville along the Woodtick trail. Part of sale is a final harvest pine stand with large 8-9 stick mature pine. The other portion is a aspen final harvest. There are some scattered residual trees to work around.

Some minor soft areas will require mats to cross. There are steep areas in southern portion of sale.

Price Adjustments:

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

Appraiser:

Amelia Knoll

(Appraisal ID 18290-0; Cutting Block ID 21180-0)

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 3, 2023

- SUMMARY SHEET -

01/03/2023 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 01/03/2023

BACKUS AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	PAPER BIRCH	107.00	Cd	18.72	2,003.04
	BASSWOOD	9.00	Cd	12.60	113.40
	OAK SPECIES	118.00	Cd	24.72	2,916.96
	WHITE PINE	60.00	Cd	26.52	1,591.20
	JACK PINE	5.00	Cd	21.60	108.00
	WHITE SPRUCE	5.00	Cd	20.40	102.00
	BALSAM FIR	13.00	Cd	16.20	210.60
	MIXED SPRUCE	119.00	Cd	12.10	1,439.90
PULPWOOD	ASPEN SPECIES	817.00	Cd	30.32	24,771.44
	TREMBLING ASPEN	1,777.00	Cd	40.76	72,430.52
	PAPER BIRCH	36.00	Cd	11.00	396.00
	MAPLE SPECIES	239.00	Cd	11.35	2,712.00
	BASSWOOD	83.00	Cd	7.70	639.10
	BALSAM FIR	108.00	Cd	5.50	594.00
	TAMARACK	150.00	Cd	6.60	990.00
BIOMASS	ANY LISTED SPECIES (optional)	2,441.00	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	NORWAY PINE	1,765.00	Cd	84.59	149,301.35

TOTAL SOLD TRACTS CONVERTED TO CORDS: 5,411.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 181,837.10
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 260,319.51
TOTAL ACRES SOLD: 121.0
SOLD TRACT NUMBERS: 1, 4
TOTAL NUMBER OF TRACTS SOLD: 2

SUMMARY FOR UNSOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	ASH	407.00	Cd	6.71	2,730.97
	ASPEN SPECIES	187.00	Cd	21.85	4,085.95
	PAPER BIRCH	71.00	Cd	12.65	898.15
	OAK SPECIES	87.00	Cd	21.16	1,840.92
	BUR OAK	103.00	Cd	12.59	1,296.77
	BALSAM FIR	50.00	Cd	8.48	424.00
	MIXED SPRUCE	311.00	Cd	6.26	1,946.86
PULPWOOD	ASH	25.00	Cd	6.90	172.50
	ASPEN SPECIES	1,157.00	Cd	12.92	14,948.44
	MAPLE SPECIES	648.00	Cd	8.64	5,595.50
	BASSWOOD	75.00	Cd	8.05	603.75
BIOMASS	ANY LISTED SPECIES (optional)	1,943.00	Tons	0.65	1,262.95

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 3,121.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 34,543.81
TOTAL ACRES UNSOLD: 136.7
UNSOLD TRACT NUMBERS: 2, 3
TOTAL NUMBER OF TRACTS UNSOLD: 2