

# 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 #4 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 6, 2023. All tracts were awarded at the Bid Award Location at Cambridge Area Office at 10:00 AM on 06/07/2023 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 6, 2023 Bids will be awarded at the following location: Bid Award Location at Cambridge Area Office at 10:00 AM on 06/07/2023 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 6, 2023). 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 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 6, 2024, 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.

TRACT X1 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 38.4

Permit Number: X019048 Expiration Date: 05/31/2026

Purchased By:
Address:

NESW, NWSE, NWSW, SENW, SWNE of Section 27 - Township 38, Range 20W.

							APPRAISED		BID:	
						UNIT		UNIT		
	SPECIES		PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE	
4	- ASPEN SPECIES	3	PULPWOOD	750.00	Cd	13.58	10,185.00	13.58	10,185.00	
	+ BID SPECIES	*	SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$10,185.00 \$1,527.75	BID TOTA	L = \$ 10,185.00	

## **Mixed Species Description:**

Aspen Species Pulpwood includes: Balm of Gilead 1%; Largetooth Aspen 2%; Trembling Aspen 97%.

#### **Season of Operations:**

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- No sale operations allowed during firearms / muzzleloader deer seasons.
- Frozen ground access across county.

#### Sale Conditions:

- Access is across county/ city land.
- Permission to cross county/ city land must be obtained by permittee.

#### **Marketing Conditions:**

From the intersection of Hwy 70 and Pine Co. 3, sale is 2 miles south on Co. Rd. 3, then 1/2 mile East on 550th st. to the WMA boundary, where there is a gated access to the Pine Co. Hwy dept gravel pit, and a gated easement to the WMA to the east. Both could be used to view sale. Logging access was opened up winter of 22-23 through the county pit, and an existing landing was established near the west boundary of this permit.

Prices reduced 15% for haul distance to mill, low stand density, and operation around reserves.

# **Price Adjustments:**

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

Stand Density: -5%

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

#### Appraiser:

Andrew J. Kett

(Appraisal ID 18451-0; Cutting Block ID 21425-0)

TRACT X2 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 213.5

Permit Number: X019049 Expiration Date: 05/31/2026

Purchased By:
Address:

NESW, SESW of Section 18 - Township 44, Range 16W.

NESW, NWSW, SESW, SWSW of Section 18 - Township 44, Range 16W.

NWNW,NWSW,SWNW of Section 17; SESE of Section 7; NENE,NESE,NWNE,SENE,SWNE of Section 18 -

Township 44, Range 16W.

NESE, SENE of Section 18 - Township 44, Range 16W.

NENE, NENW, NESE, NESW, NWNE, NWSE, SENE, SENW, SESW, SWNE, SWSE of Section 18; SESE of Section

7; NENW,NWNE of Section 19 - Township 44, Range 16W.

					APPRAISED		BID:	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	- ASPEN SPECIES	PULPWOOD	501.00	Cd	14.38	7,204.38	14.38	7,204.38
+	RED MAPLE	PULP & BOLTS	496.00	Cd	8.73	4,330.08	8.73	4,330.08
+	PAPER BIRCH	PULP & BOLTS	462.00	Cd	10.61	4,901.82	10.61	4,901.82
+	- ASH	PULP & BOLTS	405.00	Cd	6.68	2,705.40	6.68	2,705.40
+	SUGAR MAPLE	PULP & BOLTS	359.00	Cd	8.22	2,950.98	8.22	2,950.98
+	RED OAK	PULP & BOLTS	214.00	Cd	15.15	3,242.10	15.15	3,242.10
	BASSWOOD	PULP & BOLTS	54.00	Cd	6.98	376.92	6.98	376.92
_	+ BID SPECIES	* SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$25,711.68 \$3,856.75	BID TOTA	L = \$ 25,711.68

#### **Mixed Species Description:**

Aspen Species Pulpwood includes: Balm of Gilead 1%; Largetooth Aspen 2%; Trembling Aspen 97%.

## **Mixed Product Description:**

Ash Pulp & Bolts includes: Bolts 30%; Pulpwood 70%. Basswood Pulp & Bolts includes: Bolts 29%; Pulpwood 71%. Paper Birch Pulp & Bolts includes: Bolts 35%; Pulpwood 65%. Red Maple Pulp & Bolts includes: Bolts 9%; Pulpwood 91%. Red Oak Pulp & Bolts includes: Bolts 26%; Pulpwood 74%. Sugar Maple Pulp & Bolts includes: Bolts 2%; Pulpwood 98%.

# **Season of Operations:**

- Conduct sale operations on frozen soil conditions only, except with written permission from State (Cutting Blocks 1, 2, 3, 4, and 5).

#### Sale Conditions:

- Access is across state land (Cutting Blocks 3, 1, 2, 4, and 5).

## **Marketing Conditions:**

Blocks 1,2,3 and 4 are marked hardwood thinnings.

Blocks 4(LH) and 5(Ash) are optional due to low ground.

Prices increased 5% due to existing access roads and landings.

Prices decreased 5% due to stand density.

Prices decreased 10% for operational constraints- hardwood thinning.

Sale is located approximately 15.5 miles East of Bruno, on the Park Forest Rd (3.3 miles East of the forest road gate). If using a township road to access permit, permittee must contact the appropriate township authorities prior to use.

#### **Price Adjustments:**

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

#### 06/06/2023 INTERMEDIATE AUCTION - SALE #4

Stand Density: -5%

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

# Appraiser:

Andrew J. Kett

(Appraisal ID 18487-0; Cutting Block ID 21452-0, 21455-0, 21454-0, 21456-0, 21453-0)

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

By:

Authorized Signature Division Of Forestry

Dated: June 6, 2023

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

SUMMARY FOR <u>UNSOLD</u> TRACTS									
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE				
PULP & BOLTS	ASH	405.00	Cd	6.68	2,705.40				
	PAPER BIRCH	462.00	Cd	10.61	4,901.82				
	RED MAPLE	496.00	Cd	8.73	4,330.08				
	SUGAR MAPLE	359.00	Cd	8.22	2,950.98				
	BASSWOOD	54.00	Cd	6.98	376.92				
	RED OAK	214.00	Cd	15.15	3,242.10				
PULPWOOD	ASPEN SPECIES	1,251.00	Cd	13.90	17,389.38				

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 3,241.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$35,896.68

**TOTAL ACRES UNSOLD: 251.9** 

TOTAL NUMBER OF TRACTS UNSOLD: 2