

# 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 Wednesday, January 3, 2024, 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 DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

REGULAR AUCTION
ORAL BID TIMBER SALE
BACKUS AREA

# 9:30 AM on January 3, 2024 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'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, 2025, at the following Area Headquarters: Backus Area.

TRACT B1 COUNTY: CASS AREA: BACKUS AREA ACRES: 74.0

Permit Number: B015872 Expiration Date: 05/31/2027

Purchased By: Minnesota Timber, LLC

Address: PO Box 315, Brainerd, MN 56401

GL01,GL02,NENE,NWSE,SWNE of Section 22 - Township 134, Range 30W.

NESE, SENE, SWNE of Section 21 - Township 134, Range 30W.

SESW,SWSE of Section 16; NENW,NWNE,SENW of Section 21 - Township 134, Range 30W.

SESW,SWSE of Section 22 - Township 134, Range 30W.

					APPRAISED		BID %: 0	
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ RED OAK		WOODSRUN MIXED PRODUCTS	673.00	Cd	36.38	24,483.74	36.38	24,483.74
+	TREMBLING ASPEN	PULPWOOD	487.00	Cd	18.05	8,790.35	18.05	8,790.35
	MAPLE SPECIES	PULPWOOD	PULPWOOD 111.00 Cd	9.50	1,054.50	9.50	1,054.50	
+	NORWAY PINE	WOODSRUN MIXED PRODUCTS	80.00	Cd	29.75	2,380.00	29.75	2,380.00
	PAPER BIRCH	PULPWOOD	63.00	Cd	9.50	598.50	9.50	598.50
	WHITE SPRUCE	PULP & BOLTS	49.00	Cd	9.88	484.12	9.88	484.12
	BUR OAK	PULPWOOD	36.00	Cd	13.30	478.80	13.30	478.80
	BASSWOOD	PULPWOOD	32.00	Cd	6.65	212.80	6.65	212.80
	ASH	PULPWOOD	21.00	Cd	5.70	119.70	5.70	119.70
+	BID SPECIES * SOLE	OON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$38,602.51 \$5,790.38	BID TOTA	L = \$ 38,602.51

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

ANY LISTED SPECIES BIOMASS 910.00 Tons 0.65 591.50

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

Maple Species Pulpwood includes: Red Maple 34%; Sugar Maple 66%.

# **Mixed Product Description:**

Norway Pine Woodsrun Mixed Products includes: Bolts 28%; Pulpwood 36%; Sawtimber (Softwood Only) 36%. Red Oak Woodsrun Mixed Products includes: Bolts 19%; Pulpwood 57%; Sawlog-Grade 2 (Hardwood) 24%. White Spruce Pulp & Bolts includes: Bolts 17%; Pulpwood 83%.

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

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

#### **Sale Conditions:**

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

#### **Marketing Conditions:**

This sale is in the Pillsbury State Forest and contains several cutting blocks which each block has it's own sale regulations. Please refer to each cutting block for details.

Access is available to most of the sale via the snowmobile trail which will need to be upgraded for summer access. In addition there will be new roads and landings that will need to be constructed to access some of the blocks. Some areas of the sale have multiple trees blown over from previous storms and will need to worked around.

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Multiple access points will be needed to harvest this sale.

The terrain in the sale ranges from level to gently rolling to steep hillsides which may hinder equipment operations.

This sale has seasonal restrictions on it.

# **Price Adjustments:**

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

Stand Density: 0%

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

# Appraiser:

William H. Salo

(Appraisal ID 19059-0; Cutting Block ID 22034-0, 21993-0, 21970-0, 21951-0)

TRACT B2 COUNTY: CASS AREA: BACKUS AREA ACRES: 44.3

Permit Number: B015873 Expiration Date: 05/31/2027

Purchased By: Edin Logging Inc.

Address: 16982 235th ave, Staples, MN 56479

NENW,NWNW,SWNW of Section 36 - Township 139, Range 26W.

			APPR	APPRAISED		BID %: 51	
SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	1,193.00	Cd	58.30	69,551.90	88.03	105,019.79
+ ASPEN SPECIES	PULPWOOD	378.00	Cd	20.90	7,900.20	31.56	11,929.68
+ WHITE PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	378.00	Cd	46.75	17,671.50	70.59	26,683.02
MAPLE SPECIES	PULPWOOD	54.00	Cd	11.00	594.00	11.00	594.00
JACK PINE	PULP & BOLTS	40.00	Cd	22.00	880.00	22.00	880.00
PAPER BIRCH	PULP & BOLTS	34.00	Cd	17.82	605.88	17.82	605.88
OAK SPECIES	PULP & BOLTS	26.00	Cd	23.87	620.62	23.87	620.62
BALSAM FIR	PULP & BOLTS	8.00	Cd	13.73	109.84	13.73	109.84
WHITE SPRUCE	PULP & BOLTS	3.00	Cd	24.20	72.60	24.20	72.60
+ BID SPECIES * SOLD ON APPRAISED VOLUME			APPRAIS	ED TOTAL =	\$98,006.54	BID TOTAL	. = \$ 146,515.43
		Α	DVANCE	PAYMENT =	\$14,700.98		

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

ANY LISTED SPECIES BIOMASS 907.18 Tons 0.65 589.67

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

Aspen Species Pulpwood includes: Largetooth Aspen 75%; Trembling Aspen 25%.

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

Oak Species Pulp & Bolts includes: Bur Oak 5%; Red Oak 95%.

#### **Mixed Product Description:**

Balsam Fir Pulp & Bolts includes: Bolts 44%; Pulpwood 56%. Jack Pine Pulp & Bolts includes: Bolts 70%; Pulpwood 30%.

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 22%; Pulpwood 11%; Sawtimber (Softwood Only) 67%.

Oak Species Pulp & Bolts includes: Bolts 70%; Pulpwood 30%. Paper Birch Pulp & Bolts includes: Bolts 62%; Pulpwood 38%.

White Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 17%; Pulpwood 16%; Sawtimber (Softwood Only) 67%.

White Spruce Pulp & Bolts includes: Bolts 75%; Pulpwood 25%.

# **Cutting and Felling:**

- Harvest all unmarked white pine greater than or equal to 8" DBH and all unmarked Norway pine, trembling aspen, big toothed aspen, red maple, sugar maple, red oak, bur oak, paper birch, jack pine, white spruce, and balsam fir in pine clearcut block. Harvest all trembling aspen and big toothed aspen in thinning block.

#### **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 South Lawrence Lake Road. Approximately 1.5 miles east of Outing.

Timber sale consists of one pine clear cut and a small thinning.

There is significant advance white pine regeneration throughout stand, operator will need to work around these areas and avoid damage to it. It is highly recommended that you look at the sale prior to purchasing.

# **Price Adjustments:**

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

Stand Density: +10% Operational Constraints: 0% Other Price Factor: 0%

# Appraiser:

Devon Andrew Wenthe

(Appraisal ID 19074-0; Cutting Block ID 22061-0)

TRACT B3 COUNTY: CASS AREA: BACKUS AREA ACRES: 99.1

Permit Number: B015874 Expiration Date: 05/31/2027

Purchased By: Sawyer Timber Co., LLP

Address: PO Box 13147 State 371 SW, Backus, MN 56435

NESW,NWSW,SENW,SESW,SWNE,SWNW,SWSW of Section 36 - Township 139, Range 27W.

					APPF	APPRAISED		BID %: 140	
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE	
+	ASPEN SPECIES	PULPWOOD	1,988.00	Cd	19.00	37,772.00	45.60	90,652.80	
+	NORTHERN HARDWOODS	PULP & BOLTS	268.00	Cd	11.80	3,162.40	28.32	7,589.76	
+	OAK SPECIES	PULP & BOLTS	239.00	Cd	18.95	4,529.05	45.48	10,869.72	
	ASH	PULP & BOLTS	87.00	Cd	10.50	913.50	10.50	913.50	
	NORWAY PINE	WOODSRUN MIXED PRODUCTS	70.00	Cd	33.40	2,338.00	33.40	2,338.00	
	BASSWOOD	PULP & BOLTS	42.00	Cd	8.75	367.50	8.75	367.50	
	MIXED SPRUCE	PULP & BOLTS	39.00	Cd	20.00	780.00	20.00	780.00	
	TAMARACK	PULP & BOLTS	37.00	Cd	9.60	355.20	9.60	355.20	
	BALSAM FIR	PULP & BOLTS	35.00	Cd	15.20	532.00	15.20	532.00	
+	BID SPECIES *	SOLD ON APPRAISED VOLUME		APPRAIS	ED TOTAL =	\$50,749.65	BID TOTAL	. = \$ 114,398.48	
			А	DVANCE	PAYMENT =	\$7,612.45			

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

	ANY LISTED SPECIES	BIOMASS	1,390.00 To	ns 0.65	903.50
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#### **Mixed Species Description:**

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

Mixed Spruce Pulp & Bolts includes: Black Spruce 1%; White Spruce 99%.

Northern Hardwoods Pulp & Bolts includes: Paper Birch 37%; Red Maple 8%; Sugar Maple 55%.

Oak Species Pulp & Bolts includes: Bur Oak 70%; Red Oak 30%.

### **Mixed Product Description:**

Ash Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.

Balsam Fir Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.

Basswood Pulp & Bolts includes: Bolts 25%; Pulpwood 75%.

Mixed Spruce Pulp & Bolts includes: Bolts 65%; Pulpwood 35%.

Northern Hardwoods Pulp & Bolts includes: Bolts 18%; Pulpwood 82%.

Norway Pine Woodsrun Mixed Products includes: Bolts 60%; Pulpwood 20%; Sawtimber (Softwood Only) 20%.

Oak Species Pulp & Bolts includes: Bolts 45%; Pulpwood 55%. Tamarack Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.

#### **Cutting and Felling:**

- Harvest all aspen species, oak species, ash, sugar maple, red maple, paper birch, mixed spruce, Norway pine, balsam fir, basswood, and unmarked tamarack in clear-cut w/ reserves portion. In the SMZ, only harvest the ORANGE painted trees.

# **Season of Operations:**

- Conduct sale operations on 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:**

This permit contains ash as a harvest species and at the time of this sale is within the Ash guarantine area. An MDA

#### 01/03/2024 REGULAR AUCTION - SALE #1

Compliance Agreement will be required to transport ash outside of the quarantine area.

Sale consists of roughly 80 acres of clear-cut with reserves and 19 acres of thinning.

Sale is located 5 miles west of Outing off county road 155.

Access contains a low water crossing, only pre-approved rock can be placed in the crossing location.

# **Price Adjustments:**

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

Stand Density: +5%

Operational Constraints: -10%

Other Price Factor: 0%

# Appraiser:

Brody J. Geiselman

(Appraisal ID 19087-0; Cutting Block ID 22087-0)

TRACT B4 COUNTY: CASS AREA: BACKUS AREA ACRES: 49.9

Permit Number: B015875 Expiration Date: 05/31/2027

Purchased By: UPM - Blandin Paper

Address: 115 First Street SW, Grand Rapids, MN 55744

NWSW,SWSW of Section 29 - Township 140, Range 25W.

NENW,NWNW,SWNW of Section 33; NENE of Section 30; NWNW of Section 29; SWSW of Section 28 -

Township 140, Range 25W.

				APPRAISE			<del></del>		
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE	
4	- ASPEN SPECIES	PULPWOOD	1,083.00	Cd	19.00	20,577.00	26.60	28,807.80	
	PAPER BIRCH	PULP & BOLTS	177.00	Cd	16.80	2,973.60	16.80	2,973.60	
	OAK SPECIES	PULP & BOLTS	100.00	Cd	20.38	2,038.00	20.38	2,038.00	
	MAPLE SPECIES	PULPWOOD	63.00	Cd	10.00	630.00	10.00	630.00	
	ASH	PULP & BOLTS	42.00	Cd	12.22	513.24	12.22	513.24	
	BASSWOOD	PULP & BOLTS	40.00	Cd	12.04	481.60	12.04	481.60	
_	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$27,213.44 \$4,082.02	BID TOTA	L = \$ 35,444.24	

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

ANY LISTED SPECIES BIOMASS 733.31 Tons 0.65 476.65

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

Aspen Species Pulpwood includes: Largetooth Aspen 35%; Trembling Aspen 65%.

Maple Species Pulpwood includes: Red Maple 50%; Sugar Maple 50%. Oak Species Pulp & Bolts includes: Bur Oak 58%; Red Oak 42%.

### **Mixed Product Description:**

Ash Pulp & Bolts includes: Bolts 69%; Pulpwood 31%.
Basswood Pulp & Bolts includes: Bolts 72%; Pulpwood 28%.
Oak Species Pulp & Bolts includes: Bolts 58%; Pulpwood 42%.
Paper Birch Pulp & Bolts includes: Bolts 68%; Pulpwood 32%.

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

- Conduct sale operations on 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:**

This permit contains ash as a harvest species and at the time of this sale is within the Ash quarantine area. An MDA Compliance Agreement will be required to transport ash outside of the quarantine area.

Sale is located off the Draper forest road. A portion of the sale is down a hunter walking trail off the Draper forest road.

Sale consists of 2 cutting blocks. One clear cut block and one thinning block.

#### **Price Adjustments:**

Road Construction Costs: +5% Haul Distance to Nearest Mill: -10%

Stand Density: +5%

Operational Constraints: 0% Other Price Factor: 0%

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**Devon Andrew Wenthe** 

(Appraisal ID 19075-0; Cutting Block ID 22091-0, 22093-0)

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, 2024

#### **BACKUS AREA**

	SUMMARY FOR SO	OLD TRACTS			
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASH	129.00	Cd	11.06	1,426.74
	PAPER BIRCH	211.00	Cd	16.96	3,579.48
	NORTHERN HARDWOODS	268.00	Cd	28.32	7,589.76
	BASSWOOD	82.00	Cd	10.35	849.10
	OAK SPECIES	365.00	Cd	37.06	13,528.34
	JACK PINE	40.00	Cd	22.00	880.00
	WHITE SPRUCE	52.00	Cd	10.71	556.72
	BALSAM FIR	43.00	Cd	14.93	641.84
	TAMARACK	37.00	Cd	9.60	355.20
	MIXED SPRUCE	39.00	Cd	20.00	780.00
WOODSRUN MIXED	RED OAK	673.00	Cd	36.38	24,483.74
PRODUCTS	NORWAY PINE	150.00	Cd	31.45	4,718.00
PULPWOOD	ASH	21.00	Cd	5.70	119.70
	ASPEN SPECIES	3,449.00	Cd	38.10	131,390.28
	TREMBLING ASPEN	487.00	Cd	18.05	8,790.35
	PAPER BIRCH	63.00	Cd	9.50	598.50
	MAPLE SPECIES	228.00	Cd	9.99	2,278.50
	BASSWOOD	32.00	Cd	6.65	212.80
	BUR OAK	36.00	Cd	13.30	478.80
BIOMASS	ANY LISTED SPECIES (optional)	3,940.49	Tons	-	0.00
WOODSRUN SAWTIMBER	WHITE PINE	378.00	Cd	70.59	26,683.02
(SOFTWOOD ONLY)	NORWAY PINE	1,193.00	Cd	88.03	105,019.79

**TOTAL SOLD TRACTS CONVERTED TO CORDS:** 7,976.00 TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 214,572.14 TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 334,960.66 TOTAL ACRES SOLD: 267.3

TOTAL NUMBER OF TRACTS SOLD: 4