



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
REGULAR AUCTION - SALE #1
ORAL BID

Notice is hereby given that I offered for sale at public auction in Park Rapids, MN at 2:00 PM on Tuesday, September 10, 2024, timber belonging to the State of Minnesota. All tracts were offered at the Environmental Ed Building in Park Rapids, 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
PARK RAPIDS AREA

2:00 PM on September 10, 2024
Environmental Ed Building in Park Rapids, 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 September 10, 2025, at the following Area Headquarters: Park Rapids Area.

TRACT B1 COUNTY: WADENA AREA: PARK RAPIDS AREA ACRES: 164.6

Permit Number: B016133
Expiration Date: 05/31/2028

Purchased By: Potlatch Deltic Land & Lumber, LLC
Address: 50518 Co Rd 45, Bemidji, MN 56601

NWNW of Section 28; NENE, NESE, NESW, NWNW, NWSE, NWSW, SENE, SENW, SESE, SWNE, SWSE, SWSW of Section 29 - Township 138, Range 33W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 62	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	PULP & BOLTS	780.00	Cd	23.52	18,345.60	38.10	29,718.00
+ JACK PINE	PULP & BOLTS	170.00	Cd	13.72	2,332.40	22.23	3,779.10
+ TREMBLING ASPEN	PULP & BOLTS	145.00	Cd	18.62	2,699.90	30.16	4,373.20
PAPER BIRCH	PULPWOOD	5.00	Cd	9.80	49.00	9.80	49.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$23,426.90 BID TOTAL = \$ 37,919.30
 ADVANCE PAYMENT = \$3,514.04

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

ANY LISTED SPECIES BIOMASS 500.00 Tons 0.65 325.00

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
Norway Pine Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.
Trembling Aspen Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.

Cutting and Felling:

- Harvest all jack pine, trembling aspen, paper birch, and yellow marked Norway pine in harvest area one. In harvest area 2 cut harvest every 5th row. Harvest 20% of the trees in remaining rows to a final stand BA of 90 square feet per acre by removing poor quality and suppressed trees to release dominant, well-formed, single topped trees. Selection should provide equal spacing between reserve trees after removal by selecting them systematically throughout cutting area and not in clumps. Jack pine, trembling aspen, and paper birch should only be removed in access rows or when in direct competition to the crown of a Norway pine tree.

Season of Operations:

- Conduct sale operations on non rutting 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 know 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 across state land.

Marketing Conditions:

This sale is 9 miles northwest of Nimrod. Follow CR18 (Huntersville Road) for about 7.5 miles north then turn west on CR 15 (360th St) for about 1.5 miles. The sale is on the south side of the road.
Harvest area 1 is 139 acres of 39 year old Norway pine second thinning.
Harvest area 2 is 25.6 acres of 23 year old Norway pine first thinning.

Price Adjustments:

Road Construction Costs: +10%
Haul Distance to Nearest Mill: 0%
Stand Density: -8%
Operational Constraints: 0%
Other Price Factor: -4% (25.6 acres first thinning)

Appraiser:

Jordan A. Griffing

(Appraisal ID 19664-0; Cutting Block ID 22259-0)

TRACT B2 COUNTY: BECKER AREA: PARK RAPIDS AREA ACRES: 129.8

Permit Number: B016134
Expiration Date: 05/31/2028

Purchased By: Haverinen Brothers Logging
Address: 10097 350th St, Menahga, MN 56464

NESE,NWSE,SESE,SESW,SWSE of Section 19; NENE,SENE of Section 30; NENW,NWNW,SWNW of Section 29 - Township 140, Range 37W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 100	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULP & BOLTS	1,650.00	Cd	18.05	29,782.50	36.10	59,565.00
+ NORTHERN HARDWOODS	PULP & BOLTS	630.00	Cd	12.54	7,900.20	25.08	15,800.40
+ RED OAK	PULP & BOLTS	120.00	Cd	20.61	2,473.20	41.22	4,946.40
BASSWOOD	PULP & BOLTS	100.00	Cd	11.64	1,164.00	11.64	1,164.00
ASH	PULP & BOLTS	40.00	Cd	10.83	433.20	10.83	433.20
NORWAY PINE	PULP & BOLTS	40.00	Cd	28.50	1,140.00	28.50	1,140.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$42,893.10
ADVANCE PAYMENT = \$6,433.97
BID TOTAL = \$ 83,049.00

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

ANY LISTED SPECIES BIOMASS 1,260.00 Tons 0.65 819.00

Mixed Species Description:

Northern Hardwoods Pulp & Bolts includes: Paper Birch 38%; Sugar Maple 62%.

Mixed Product Description:

- Ash Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.
- Basswood Pulp & Bolts includes: Bolts 75%; Pulpwood 25%.
- Northern Hardwoods Pulp & Bolts includes: Bolts 32%; Pulpwood 68%.
- Norway Pine Pulp & Bolts includes: Bolts 80%; Pulpwood 20%.
- Red Oak Pulp & Bolts includes: Bolts 70%; Pulpwood 30%.
- Trembling Aspen Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

Cutting and Felling:

- Harvest trembling aspen, paper birch, sugar maple, basswood, ash, orange marked Norway pine and orange marked red oak.
- In RMZ reduce basal area to 60 square feet per acre. Focus harvest on trembling aspen, ash, paper birch, and sugar maple. Beginning of RMZ is indicated by a yellow paint line.
- Reserve white pine, bur oak, unmarked Norway Pine, unmarked red oak in all stands. In harvest area 1, reserve 10 trees per acre greater than 12" DBH. Species reserved should be paper birch, sugar maple, or basswood.

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 on the north side of the Smoky Hills State Forest. Sale is comprised of 106.8 acres of shelterwood harvest of 100 year old northern hardwoods, and 23 acres of 40 year old aspen clearcut. Terrain is rolling with some steep areas.

Approximately 1/5 mile of old trail will need to be improved for truck traffic as well as several landings created. Skid distances to landings may be up to 1/2 mile.

1.5 miles secondary, 58 miles primary road to Solway, MN.

1.5 miles secondary, 46 miles primary road to Wadena, MN.

Price Adjustments:

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

Appraiser:

Joseph Richard Kuhlmann

(Appraisal ID 19400-0; Cutting Block ID 22541-0)

TRACT B3

COUNTY: BECKER

AREA: PARK RAPIDS AREA

ACRES: 44.3

Permit Number: B016135
Expiration Date: 05/31/2028

Purchased By: Kimballs Sawmill & Logging Inc.
Address: 24516 Brill Ave, Park Rapids, MN 56470

NESW,NWSW,SESE,SESW,SWSE,SWSW of Section 35 - Township 141, Range 36W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 74	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULP & BOLTS	1,575.00	Cd	22.73	35,799.75	39.55	62,291.25
+ OAK SPECIES	PULPWOOD	100.00	Cd	16.80	1,680.00	29.23	2,923.00
	PAPER BIRCH	70.00	Cd	14.40	1,008.00	14.40	1,008.00
	ASH	15.00	Cd	9.36	140.40	9.36	140.40
	JACK PINE	15.00	Cd	16.80	252.00	16.80	252.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$38,880.15	BID TOTAL = \$	66,614.65
				ADVANCE PAYMENT =	\$5,832.02		

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

ANY LISTED SPECIES BIOMASS 1,075.00 Tons 0.65 698.75

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 2%; Trembling Aspen 98%.
Oak Species Pulpwood includes: Bur Oak 30%; Red Oak 70%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.
Aspen Species Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.
Jack Pine Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
Paper Birch Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.

Season of Operations:

- Conduct sale operations on non-rutting soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

This sale is located in the Two Inlets State Forest, northwest of Park Rapids off of Horseshoe Ave. Access is across state land & aspen is 44 years old.

Price Adjustments:

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

Appraiser:

Levi A. Eskuri

Harvest specifications and additional information about each tract may be obtained upon request from the following
DNR Area Forestry Office:

PARK RAPIDS 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: September 10, 2024

- SUMMARY SHEET -

09/10/2024 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 09/10/2024

PARK RAPIDS AREA

SUMMARY FOR <u>SOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASH	55.00	Cd	10.43	573.60
	ASPEN SPECIES	1,575.00	Cd	39.55	62,291.25
	TREMBLING ASPEN	1,795.00	Cd	35.62	63,938.20
	PAPER BIRCH	70.00	Cd	14.40	1,008.00
	NORTHERN HARDWOODS	630.00	Cd	25.08	15,800.40
	BASSWOOD	100.00	Cd	11.64	1,164.00
	RED OAK	120.00	Cd	41.22	4,946.40
	NORWAY PINE	820.00	Cd	37.63	30,858.00
	JACK PINE	185.00	Cd	21.79	4,031.10
PULPWOOD	PAPER BIRCH	5.00	Cd	9.80	49.00
	OAK SPECIES	100.00	Cd	29.23	2,923.00
BIOMASS	ANY LISTED SPECIES <i>(optional)</i>	2,835.00	Tons	-	0.00
TOTAL SOLD TRACTS CONVERTED TO CORDS:		5,455.00			
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS:		\$ 105,200.15			
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:		\$ 187,582.95			
TOTAL ACRES SOLD:		338.7			
TOTAL NUMBER OF TRACTS SOLD:		3			