



MINNESOTA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF FORESTRY

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

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**STATUS: COMPLETED**  
**REGULAR AUCTION - SALE #3**  
**ORAL BID**

Notice is hereby given that I offered for sale at public auction in Littlefork, MN at 9:00 AM on Wednesday, June 7, 2017, timber belonging to the State of Minnesota. All tracts were offered at the Littlefork Community Center in Littlefork, 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.



The resource management of the Minnesota DNR's state forests and wildlife management areas meets the objectives of the SFI ® program (Certificate No. NSF-SFI-FM-6Y921) and the principles of the FSC ® certification standard (Certificate No. SCS-FM/COC-00088N).

**FSC**  
**100%**



MINNESOTA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF FORESTRY  
REGULAR AUCTION  
ORAL BID TIMBER SALE  
LITTLEFORK AREA

9:00 AM on June 7, 2017  
Littlefork Community Center in Littlefork, 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 June 7, 2018, at the following Area Headquarters: Littlefork Area.

**TRACT B1** COUNTY: KOOCHICHING AREA: LITTLEFORK AREA ACRES: 280.5

Permit Number: B013626  
Expiration Date: 05/31/2020

Purchased By: Boise White Paper LLC  
Address: 400 3rd Ave E, International Falls, MN 56649

NENE of Section 21; NESE,SESE of Section 16; GL03,GL04,GL06,NESW,NWNW,NWSW,SENW,SWNW of Section 22; GL03,GL05,GL06 of Section 15 - Township 65, Range 24W.

| SPECIES            | PRODUCT                 | VOLUME   | UNIT | APPRAISED  |            | BID %: 5   |            |
|--------------------|-------------------------|----------|------|------------|------------|------------|------------|
|                    |                         |          |      | UNIT PRICE | \$ VALUE   | UNIT PRICE | \$ VALUE   |
| + ASPEN SPECIES    | WOODSRUN CORDWOOD       | 6,860.00 | Cd   | 28.81      | 197,636.60 | 30.25      | 213,262.50 |
| NORTHERN HARDWOODS | WOODSRUN CORDWOOD       | 500.00   | Cd   | 11.29      | 5,645.00   | 11.29      | 5,757.90   |
| BALSAM FIR         | WOODSRUN CORDWOOD       | 460.00   | Cd   | 15.90      | 7,314.00   | 15.90      | 7,791.00   |
| JACK PINE          | WOODSRUN MIXED PRODUCTS | 290.00   | Cd   | 26.18      | 7,592.20   | 26.18      | 7,592.20   |

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$218,187.80  
ADVANCE PAYMENT = \$32,728.17  
BID TOTAL = \$ 234,403.60

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

ANY LISTED SPECIES BIOMASS 3,820.00 Tons 1.00 3,820.00

**Mixed Species Description:**

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 4%; Trembling Aspen 96%.  
Northern Hardwoods Woodsrun Cordwood includes: Ash 48%; Paper Birch 52%.

**Mixed Product Description:**

Jack Pine Woodsrun Mixed Products includes: Bolts 50%; Pulpwood 50%.

**Season of Operations:**

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

**Sale Conditions:**

- Access is across state land.

**Marketing Conditions:**

Aspen spp. averages 7 sticks and 12" DBH.

Actual stand cords/acre, not including reserve areas, is 37 cords/acre.

If necessary improvements are made to the River Minimum Maintenance Road, including the installation of several culverts and gravel work to improve the road surface, written permission may be given for sale operations to begin during dry summer soil conditions. A cooperative maintenance agreement will be required. There is a State gravel pit within 0.5 miles of the sale. Without State approved road improvements, sale operations will occur during frozen soil conditions only.

**Price Adjustments:**

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

**Appraiser:**

Brian M. Feldt

**TRACT B2**

**COUNTY: KOOCHICHING**

**AREA: LITTLEFORK AREA**

**ACRES: 123.7**

Permit Number: B013627  
Expiration Date: 05/31/2021

**Purchased By:** Boise White Paper LLC

**Address:** 400 3rd Ave E, International Falls, MN 56649

NESE,NESW,NWSE,NWSW,SENE,SESE,SESW,SWSE of Section 11 - Township 68, Range 24W.

| SPECIES              | PRODUCT                 | VOLUME   | UNIT | APPRAISED  |            | BID %: 0   |            |
|----------------------|-------------------------|----------|------|------------|------------|------------|------------|
|                      |                         |          |      | UNIT PRICE | \$ VALUE   | UNIT PRICE | \$ VALUE   |
| + ASPEN SPECIES      | WOODSRUN CORDWOOD       | 3,600.00 | Cd   | 32.35      | 116,460.00 | 32.35      | 116,460.00 |
| + NORTHERN HARDWOODS | WOODSRUN CORDWOOD       | 560.00   | Cd   | 12.07      | 6,759.20   | 12.07      | 6,759.20   |
| BALSAM FIR           | WOODSRUN CORDWOOD       | 120.00   | Cd   | 18.06      | 2,167.20   | 18.06      | 2,167.20   |
| WHITE SPRUCE         | WOODSRUN MIXED PRODUCTS | 30.00    | Cd   | 26.14      | 784.20     | 26.14      | 784.20     |

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$126,170.60  
ADVANCE PAYMENT = \$18,925.59  
BID TOTAL = \$ 126,170.60

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

ANY LISTED SPECIES BIOMASS 2,100.00 Tons 1.00 2,100.00

**Mixed Species Description:**

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 12%; Trembling Aspen 88%.  
Northern Hardwoods Woodsrun Cordwood includes: Ash 66%; Paper Birch 21%; Red Maple 13%.

**Mixed Product Description:**

White Spruce Woodsrun Mixed Products includes: Bolts 40%; Pulpwood 60%.

**Season of Operations:**

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

**Sale Conditions:**

- Access is across State land.  
- The sale will expire 5/31/2021 due to winter access.

**Marketing Conditions:**

Aspen varies from 6-22" dbh and 2-8 sticks/tree Avg. 10" dbh  
6 sticks/tree Age 50-60 years SI 65-75  
Site located adjacent to State Hwy #217.  
Approximately 1 mile of old winter roads to reopen for access to sale area.

**Price Adjustments:**

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

**Appraiser:**

Chris J. Scofield

**TRACT B3** COUNTY: KOOCHICHING AREA: LITTLEFORK AREA ACRES: 110.5

Permit Number: B013628  
Expiration Date: 05/31/2020

Purchased By: Verso Corporation  
Address: 25809 Clara Ave, Cohasset, MN 55721

NESE,SENE,SESE,SWNE of Section 3; NESW,NWSE,NWSW,SENW,SESW,SWNW,SWSE,SWSW of Section 2 - Township 155, Range 26W.

| SPECIES            | PRODUCT           | VOLUME   | UNIT | APPRAISED  |           | BID %: 235 |           |
|--------------------|-------------------|----------|------|------------|-----------|------------|-----------|
|                    |                   |          |      | UNIT PRICE | \$ VALUE  | UNIT PRICE | \$ VALUE  |
| + MIXED SPRUCE     | WOODSRUN CORDWOOD | 1,570.00 | Cd   | 15.17      | 23,816.90 | 50.82      | 79,787.40 |
| + TAMARACK         | WOODSRUN CORDWOOD | 620.00   | Cd   | 7.14       | 4,426.80  | 23.92      | 14,830.40 |
| NORTHERN HARDWOODS | WOODSRUN CORDWOOD | 150.00   | Cd   | 12.46      | 1,869.00  | 12.46      | 1,869.00  |
| BALSAM FIR         | WOODSRUN CORDWOOD | 80.00    | Cd   | 15.17      | 1,213.60  | 15.17      | 1,213.60  |
| ASPEN SPECIES      | WOODSRUN CORDWOOD | 50.00    | Cd   | 27.63      | 1,381.50  | 27.63      | 1,381.50  |

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$32,707.80      BID TOTAL = \$ 99,081.90  
 ADVANCE PAYMENT = \$4,906.17

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

|                    |         |               |      |          |
|--------------------|---------|---------------|------|----------|
| ANY LISTED SPECIES | BIOMASS | 1,230.00 Tons | 1.00 | 1,230.00 |
|--------------------|---------|---------------|------|----------|

**Mixed Species Description:**

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 1%; Trembling Aspen 99%.  
 Mixed Spruce Woodsrun Cordwood includes: Black Spruce 99%; White Spruce 1%.  
 Northern Hardwoods Woodsrun Cordwood includes: Ash 1%; Paper Birch 99%.

**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.

**Sale Conditions:**

- Access is across state land.

**Marketing Conditions:**

Black spruce with an average DBH of 8" and 4-5 sticks.  
 Tamarack with an average DBH of 9" and 5 sticks.  
 Paper birch with an average DBH of 6" and 3 sticks.

**Price Adjustments:**

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

**Appraiser:**

Timothy D. St Aubin

**TRACT B4** COUNTY: KOOCHICHING AREA: LITTLEFORK AREA ACRES: 194.6

Permit Number: B013629  
Expiration Date: 05/31/2021

Purchased By: Boise White Paper LLC  
Address: 400 3rd Ave E, International Falls, MN 56649

SWSE of Section 26; NWNE,NWSE,SESW,SWNE,SWSE of Section 35 - Township 157, Range 26W.  
GL02,GL03,SWNE of Section 2 - Township 156, Range 26W.

| SPECIES              | PRODUCT           | VOLUME   | UNIT | APPRAISED  |            | BID %: 0   |            |
|----------------------|-------------------|----------|------|------------|------------|------------|------------|
|                      |                   |          |      | UNIT PRICE | \$ VALUE   | UNIT PRICE | \$ VALUE   |
| + ASPEN SPECIES      | WOODSRUN CORDWOOD | 5,000.00 | Cd   | 26.11      | 130,550.00 | 26.11      | 130,550.00 |
| + NORTHERN HARDWOODS | WOODSRUN CORDWOOD | 1,050.00 | Cd   | 9.86       | 10,353.00  | 9.86       | 10,353.00  |
| + BALSAM FIR         | WOODSRUN CORDWOOD | 815.00   | Cd   | 14.45      | 11,776.75  | 14.45      | 11,776.75  |
| MIXED SPRUCE         | WOODSRUN CORDWOOD | 300.00   | Cd   | 14.45      | 4,335.00   | 14.45      | 4,335.00   |

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$157,014.75  
ADVANCE PAYMENT = \$23,552.21  
BID TOTAL = \$ 157,014.75

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

ANY LISTED SPECIES BIOMASS 3,720.00 Tons 1.00 3,720.00

**Mixed Species Description:**

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 6%; Trembling Aspen 94%.  
Mixed Spruce Woodsrun Cordwood includes: Black Spruce 25%; White Spruce 75%.  
Northern Hardwoods Woodsrun Cordwood includes: Ash 60%; Paper Birch 38%; Red Maple 2%.

**Season of Operations:**

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

**Sale Conditions:**

- Access is across state, county, and industry land.
- Permission to cross county and industry land must be obtained by permittee.
- The sale will expire on 5/31/2021 due to poor access.

**Marketing Conditions:**

Aspen- 12" d.b.h and 7-8 stick average  
Ash- 9" d.b.h and 4 stick average  
Birch- 7" d.b.h and 3 stick average  
Best access is through Lindford ditch grade.

**Price Adjustments:**

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

**Appraiser:**

Keith Flood

**TRACT B5**

**COUNTY: KOOCHICHING**

**AREA: LITTLEFORK AREA**

**ACRES: 77.8**

Permit Number: B013630  
Expiration Date: 05/31/2020

**Purchased By:** Bell Timber Inc.  
**Address:** 4 Berger Avenue, Barron, WI 54812

SESE of Section 30; NENE of Section 31; SESE, SESW, SWSE, SWSW of Section 29; NWNW of Section 32 - Township 156, Range 28W.

| SPECIES            | PRODUCT                 | VOLUME   | UNIT | APPRAISED  |            | BID %: 10  |            |
|--------------------|-------------------------|----------|------|------------|------------|------------|------------|
|                    |                         |          |      | UNIT PRICE | \$ VALUE   | UNIT PRICE | \$ VALUE   |
| + PINE SPECIES     | WOODSRUN MIXED PRODUCTS | 2,660.00 | Cd   | 45.22      | 120,285.20 | 49.74      | 132,308.40 |
| BALSAM FIR         | WOODSRUN CORDWOOD       | 70.00    | Cd   | 17.34      | 1,213.80   | 17.34      | 1,213.80   |
| TREMBLING ASPEN    | WOODSRUN CORDWOOD       | 20.00    | Cd   | 31.62      | 632.40     | 31.62      | 632.40     |
| WHITE SPRUCE       | WOODSRUN CORDWOOD       | 20.00    | Cd   | 17.34      | 346.80     | 17.34      | 346.80     |
| NORTHERN HARDWOODS | WOODSRUN CORDWOOD       | 5.00     | Cd   | 12.65      | 63.25      | 12.65      | 63.25      |

+ BID SPECIES      \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$122,541.45      BID TOTAL = \$ 134,564.65  
ADVANCE PAYMENT = \$18,381.22

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

ANY LISTED SPECIES      BIOMASS      1,120.00 Tons      1.00      1,120.00

**Mixed Species Description:**

Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 60%; Red Maple 40%.  
Pine Species Woodsrun Mixed Products includes: Jack Pine 1%; Norway Pine 99%.

**Mixed Product Description:**

Pine Species Woodsrun Mixed Products includes: Bolts 60%; Pulpwood 20%; Sawtimber 20%.

**Season of Operations:**

- Conduct harvest operations on dry / frozen soil conditions only, except with written permission from State.

**Sale Conditions:**

- Access is across state land.

**Marketing Conditions:**

Final harvest pine: Norway pine averaging 7 sticks and 13" diameter.  
Pine thinning: Norway pine averaging 6 sticks and 10" diameter.

Pine species price is adjusted to include 20% sawtimber.

**Price Adjustments:**

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

**Appraiser:**

Michael Shearen

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

LITTLEFORK 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 7, 2017



- SUMMARY SHEET -

06/07/2017 REGULAR AUCTION - SALE #3

COMPLETED - DATA AS OF 12/27/2017

LITTLEFORK AREA

| SUMMARY FOR <u>SOLD</u> TRACTS               |                               |               |      |                         |                     |
|--|-------------------------------|---------------|------|-------------------------|---------------------|
| PRODUCT                                      | SPECIES                       | TOTAL VOLUME  | UNIT | SOLD AVERAGE UNIT PRICE | TOTAL SOLD \$ VALUE |
| WOODSRUN MIXED PRODUCTS                      | PINE SPECIES                  | 2,660.00      | Cd   | 49.74                   | 132,308.40          |
|  | JACK PINE                     | 290.00        | Cd   | 26.18                   | 7,592.20            |
|  | WHITE SPRUCE                  | 30.00         | Cd   | 26.14                   | 784.20              |
| WOODSRUN CORDWOOD                            | ASPEN SPECIES                 | 15,510.00     | Cd   | 29.76                   | 461,654.00          |
|  | TREMBLING ASPEN               | 20.00         | Cd   | 31.62                   | 632.40              |
|  | NORTHERN HARDWOODS            | 2,265.00      | Cd   | 10.95                   | 24,802.35           |
|  | WHITE SPRUCE                  | 20.00         | Cd   | 18.79                   | 375.70              |
|  | BALSAM FIR                    | 1,545.00      | Cd   | 15.64                   | 24,162.35           |
|  | TAMARACK                      | 620.00        | Cd   | 23.92                   | 14,830.40           |
|  | MIXED SPRUCE                  | 1,870.00      | Cd   | 44.99                   | 84,122.40           |
| BIOMASS                                      | ANY LISTED SPECIES (optional) | 11,990.00     | Tons | -                       | 0.00                |
| TOTAL SOLD TRACTS CONVERTED TO CORDS:        |                               | 24,830.00     |      |                         |                     |
| TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: |                               | \$ 656,622.40 |      |                         |                     |
| TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:    |                               | \$ 751,264.40 |      |                         |                     |
| TOTAL ACRES SOLD:                            |                               | 787.1         |      |                         |                     |
| TOTAL NUMBER OF TRACTS SOLD:                 |                               | 5             |      |                         |                     |