



MINNESOTA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF FORESTRY

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

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**STATUS: COMPLETED**  
**REGULAR AUCTION - SALE #1**  
**ORAL BID**

Notice is hereby given that I offered for sale at public auction in Chisholm, MN at 9:00 AM on Thursday, May 31, 2018, timber belonging to the State of Minnesota. All tracts were offered at the Minnesota Discovery Center (Ironworld) in Chisholm, 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  
HIBBING AREA

9:00 AM on May 31, 2018  
Minnesota Discovery Center (Ironworld) in Chisholm, 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 May 31, 2019, at the following Area Headquarters: Hibbing Area.

**TRACT B1**

**COUNTY: ST. LOUIS**

**AREA: HIBBING AREA**

**ACRES: 120.4**

Permit Number: B013936  
Expiration Date: 05/31/2021

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

GL02,NESW,NWSE,SESW,SWSE of Section 7; NENW,NWNE of Section 18 - Township 55, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 61	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	2,900.00	Cd	26.40	76,560.00	42.50	123,250.00
+ NORTHERN HARDWOODS	WOODSRUN CORDWOOD	420.00	Cd	14.14	5,938.80	22.77	9,563.40
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	150.00	Cd	29.04	4,356.00	46.75	7,012.50
+ MIXED SPRUCE	WOODSRUN CORDWOOD	120.00	Cd	20.90	2,508.00	33.65	4,038.00
+ BALSAM FIR	WOODSRUN CORDWOOD	110.00	Cd	16.50	1,815.00	26.57	2,922.70
+ TAMARACK	WOODSRUN CORDWOOD	5.00	Cd	9.10	45.50	9.10	45.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$91,223.30	BID TOTAL = \$	146,832.10
				ADVANCE PAYMENT =	\$13,683.50		

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

ANY LISTED SPECIES BIOMASS 1,800.00 Tons 1.00 1,800.00

**Mixed Species Description:**

Mixed Spruce Woodsrun Cordwood includes: Black Spruce 30%; White Spruce 70%.  
Northern Hardwoods Woodsrun Cordwood includes: Ash 5%; Paper Birch 36%; Red Maple 59%.

**Mixed Product Description:**

Norway Pine Woodsrun Mixed Products includes: Bolts 60%; Pulpwood 40%.

**Season of Operations:**

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

**Sale Conditions:**

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

**Marketing Conditions:**

Average DBH & sticks: Aspen 10"- 7 sticks, red maple 8" -3-4 sticks, birch 9" -4-5 sticks, balsam fir 8" - 4 stick, white spruce 10" - 5 stick, black spruce 7" - 3 sticks, Norway pine 11" - 5 sticks.  
Aspen age 44 years.  
Access 1.5 miles across private land east to highway #73 is another option but would require landowner permission.

Original appraiser is Robb Maki.

**Price Adjustments:**

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

**Appraiser:**

Kirby B. Budrow

**TRACT B2** COUNTY: ST. LOUIS AREA: HIBBING AREA ACRES: 167.1

Permit Number: B013937  
Expiration Date: 05/31/2020

Purchased By: Jatco, Inc.  
Address: 121 W Lemon St, Duluth, MN 55811

NENE,NESE,NESW,NWNE,NWNW,NWSE,NWSW,SENE,SESW,SESE,SESW,SWNE,SWNW,SWSE,SWS  
W of Section 36 - Township 57, Range 15W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	3,204.00	Cd	26.40	84,585.60	26.40	84,585.60
+ BALSAM FIR	PULPWOOD	575.00	Cd	16.50	9,487.50	16.50	9,487.50
+ WHITE SPRUCE	PULP & BOLTS	426.00	Cd	23.54	10,028.04	23.54	10,028.04
RED MAPLE	PULPWOOD	153.00	Cd	14.30	2,187.90	14.30	2,187.90
BLACK SPRUCE	PULPWOOD	151.00	Cd	20.90	3,155.90	20.90	3,155.90
TAMARACK	PULPWOOD	91.00	Cd	8.80	800.80	8.80	800.80
ASH	PULPWOOD	57.00	Cd	11.00	627.00	11.00	627.00

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$110,872.74  
ADVANCE PAYMENT = \$16,630.91  
BID TOTAL = \$ 110,872.74

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

ANY LISTED SPECIES BIOMASS 2,238.00 Tons 1.00 2,238.00

**Mixed Product Description:**

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

**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 existing winter roads/trails on state land.
- The sale will expire 2 years due to age class distribution in RGMA.

**Marketing Conditions:**

Sale expiration is 2 years due to management of age-class distribution in RGMA (Ruffed Grouse Management Area).

Access is off of Hwy 16 via the hunter walking trails. Price adjustment due to access.

**Price Adjustments:**

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

**Appraiser:**

Stacy J. Troumbly

**TRACT B3**

**COUNTY: ST. LOUIS**

**AREA: HIBBING AREA**

**ACRES: 64.0**

Permit Number: B013938  
Expiration Date: 05/31/2021

Purchased By:  
Address:

# UNSOLD

SESE of Section 32; GL03,SWSE,SWSW of Section 33 - Township 60, Range 18W.  
GL02,NESE,SWNE of Section 4 - Township 59, Range 18W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TAMARACK	PULPWOOD	470.00	Cd	3.20	1,504.00	3.20	1,504.00
+ BLACK SPRUCE	PULPWOOD	205.00	Cd	7.60	1,558.00	7.60	1,558.00
+ JACK PINE	PULP & BOLTS	65.00	Cd	8.00	520.00	8.00	520.00
+ BID SPECIES      * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$3,582.00	BID TOTAL = \$	3,582.00
				ADVANCE PAYMENT =	\$537.30		

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

ANY LISTED SPECIES    BIOMASS                      332.00 Tons                      0.40                      132.80

**SOAV Option:**

Sold on Appraised Volume (SOAV) option is available. If elected, Permittee must sign option agreement on date of permit purchase.

**Mixed Product Description:**

Jack Pine Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.

**Season of Operations:**

- Frozen ground access across USFS and State.

**Landings Roads and Trails:**

- Recreation trail may be used as access. 5 day notification; permit holder to TSA be used as access.  
- Use north side of snowmobile trail. Berm between snowmobiles and logging equipment/trucks.

**Sale Conditions:**

- A USFS Special Use Permit for access has be obtained by the State.

**Marketing Conditions:**

Reoffer sale. Salvage due to mortality from wet conditions

**Price Adjustments:**

Road Construction Costs: -10%  
Haul Distance to Nearest Mill: 0%  
Stand Density: -10%  
Operational Constraints: 0%  
Other Price Factor: -40% (3rd reoffer)

**Appraiser:**

Roger A. Nelson

**TRACT B4** COUNTY: ITASCA AREA: HIBBING AREA ACRES: 39.5

Permit Number: B013939  
 Expiration Date: 05/31/2021

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

GL03,SENW,SWNW of Section 2 - Township 60, Range 22W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 20	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	1,720.00	Cd	65.00	111,800.00	78.00	134,160.00
WHITE PINE	WOODSRUN MIXED PRODUCTS	135.00	Cd	38.00	5,130.00	38.00	5,130.00
RED MAPLE	PULPWOOD	15.00	Cd	13.00	195.00	13.00	195.00
MIXED SPRUCE	PULP & BOLTS	6.00	Cd	25.00	150.00	25.00	150.00
BALSAM FIR	PULPWOOD	3.00	Cd	15.00	45.00	15.00	45.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$117,320.00	BID TOTAL = \$	139,680.00
				ADVANCE PAYMENT =	\$17,598.00		

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

ANY LISTED SPECIES BIOMASS 970.00 Tons 1.00 970.00

**Mixed Species Description:**

Mixed Spruce Pulp & Bolts includes: Black Spruce 15%; White Spruce 85%.

**Mixed Product Description:**

Mixed Spruce Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.  
 Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 30%; Pulpwood 10%; Sawlog-Grade 3 60%.  
 White Pine Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 30%; Sawlog-Grade 3 40%.

**Cutting and Felling:**

- Broadcast skid across entire site to kill brush and scarify site for regeneration by exposing mineral soil. Intent is to have minimum 60-70% mineral soil exposure. Full tree skidding recommended.

**Season of Operations:**

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

**Landings Roads and Trails:**

- A minimum of four inches of snow must be left on the recreation trail from Dec. 1 - March 31.

**Sale Conditions:**

- Excellent summer access across State land on existing roads. Sale is 3/4 mile north of Link Lake SFR / Beatrice LK SFR JCT.

**Marketing Conditions:**

Full tree skidding recommended.

Permittee must contact the TSA at least five days prior to any operations on recreational trail.

**Price Adjustments:**

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

**Appraiser:**

Jonathon T. Splinter

(Appraisal ID 13666-0; Cutting Block ID 15939-0)

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**TRACT B5** COUNTY: ITASCA AREA: HIBBING AREA ACRES: 107.6

Permit Number: B013940  
Expiration Date: 05/31/2021

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

NENW of Section 31 - Township 61, Range 22W.  
SESE of Section 25; NENE,NESE,NWSE,SESE,SESW,SWSE of Section 36 - Township 61, Range 23W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 10	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULP & BOLTS	2,850.00	Cd	25.20	71,820.00	27.72	79,002.00
+ PINE SPECIES	PULP & BOLTS	360.00	Cd	31.08	11,188.80	34.19	12,308.40
+ BALSAM FIR	PULPWOOD	185.00	Cd	15.75	2,913.75	17.33	3,206.05
MIXED SPRUCE	PULP & BOLTS	120.00	Cd	21.21	2,545.20	21.21	2,545.20

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$88,467.75      BID TOTAL = \$ 97,061.65  
 ADVANCE PAYMENT = \$13,270.16

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

ANY LISTED SPECIES	BIOMASS	1,635.00 Tons	1.00	1,635.00
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**Mixed Species Description:**

Mixed Spruce Pulp & Bolts includes: Black Spruce 60%; White Spruce 40%.  
Pine Species Pulp & Bolts includes: Jack Pine 22%; Norway Pine 78%.

**Mixed Product Description:**

Mixed Spruce Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.  
Pine Species Pulp & Bolts includes: Bolts 75%; Pulpwood 25%.  
Trembling Aspen Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

**Season of Operations:**

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

**Sale Conditions:**

- Access is across Itasca County and State land.

**Marketing Conditions:**

Access is generally good with multiple accesses to each block. Contact forester for more information  
Trembling Aspen contains less than 2% of Balm of Gilead.

Base price increased 10% for stand density and decreased 5% for road construction costs.

**Price Adjustments:**

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

**Appraiser:**

Andrew E. Carlson



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

HIBBING 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: May 31, 2018

- SUMMARY SHEET -

05/31/2018 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 06/06/2018

HIBBING AREA

**SUMMARY FOR SOLD TRACTS**

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	TREMBLING ASPEN	2,850.00	Cd	27.72	79,002.00
	PINE SPECIES	360.00	Cd	34.19	12,308.40
	WHITE SPRUCE	426.00	Cd	23.54	10,028.04
	MIXED SPRUCE	126.00	Cd	21.39	2,695.20
WOODSRUN MIXED PRODUCTS	WHITE PINE	135.00	Cd	38.00	5,130.00
	NORWAY PINE	150.00	Cd	46.75	7,012.50
WOODSRUN CORDWOOD	TREMBLING ASPEN	2,900.00	Cd	42.50	123,250.00
	NORTHERN HARDWOODS	420.00	Cd	22.77	9,563.40
	BALSAM FIR	110.00	Cd	26.57	2,922.70
	TAMARACK	5.00	Cd	9.10	45.50
	MIXED SPRUCE	120.00	Cd	33.65	4,038.00
PULPWOOD	ASH	57.00	Cd	11.00	627.00
	TREMBLING ASPEN	3,204.00	Cd	26.40	84,585.60
	RED MAPLE	168.00	Cd	14.18	2,382.90
	BALSAM FIR	763.00	Cd	16.70	12,738.55
	BLACK SPRUCE	151.00	Cd	20.90	3,155.90
	TAMARACK	91.00	Cd	8.80	800.80
BIOMASS	ANY LISTED SPECIES (optional)	6,643.00	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	NORWAY PINE	1,720.00	Cd	78.00	134,160.00

**TOTAL SOLD TRACTS CONVERTED TO CORDS:** 13,756.00  
**TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS:** \$ 407,883.79  
**TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:** \$ 494,446.49  
**TOTAL ACRES SOLD:** 434.6  
**SOLD TRACT NUMBERS:** 1, 2, 4, 5  
**TOTAL NUMBER OF TRACTS SOLD:** 4

**SUMMARY FOR UNSOLD TRACTS**

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	JACK PINE	65.00	Cd	8.00	520.00
PULPWOOD	BLACK SPRUCE	205.00	Cd	7.60	1,558.00
	TAMARACK	470.00	Cd	3.20	1,504.00
BIOMASS	ANY LISTED SPECIES (optional)	332.00	Tons	0.40	132.80

**TOTAL UNSOLD TRACTS CONVERTED TO CORDS:** 740.00  
**TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS:** \$ 3,582.00  
**TOTAL ACRES UNSOLD:** 64.0  
**UNSOLD TRACT NUMBER:** 3  
**TOTAL NUMBER OF TRACTS UNSOLD:** 1