



MINNESOTA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF FORESTRY

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

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

Notice is hereby given that I offered for sale at public auction in Carlton, MN at 9:15 AM on Thursday, December 13, 2018, timber belonging to the State of Minnesota. All tracts were offered at the Carlton County Land Department Building in Carlton, 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  
INTERMEDIATE AUCTION  
ORAL BID TIMBER SALE  
CLOQUET AREA

9:15 AM on December 13, 2018  
Carlton County Land Department Building in Carlton, 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 whoever bids the highest price for all timber species advertised for bidding on each tract. Bidding over 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 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.

**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 December 13, 2019, at the following Area Headquarters: Cloquet 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: CARLTON**

**AREA: CLOQUET AREA**

**ACRES: 36.9**

Permit Number: X016340  
Expiration Date: 05/31/2022

Purchased By: CTP Chipping Inc.  
Address: 53778 Fir Lane, Sandstone, MN 55072

GL05,NESW,NWSE,SWSW of Section 36 - Township 46, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	365.00	Cd	26.40	9,636.00	26.40	9,636.00
+ BASSWOOD	PULP & BOLTS	175.00	Cd	10.78	1,886.50	10.78	1,886.50
+ OAK SPECIES	PULP & BOLTS	115.00	Cd	23.10	2,656.50	23.10	2,656.50
MAPLE SPECIES	PULPWOOD	65.00	Cd	13.20	858.00	13.20	858.00
ASH	PULP & BOLTS	55.00	Cd	11.66	641.30	11.66	641.30
PAPER BIRCH	PULP & BOLTS	10.00	Cd	16.06	160.60	16.06	160.60

+ BID SPECIES      \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$15,838.90      BID TOTAL = \$ 15,838.90  
ADVANCE PAYMENT = \$2,375.84

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

ANY LISTED SPECIES      BIOMASS      450.00 Tons      1.00      450.00

**Mixed Species Description:**

Maple Species Pulpwood includes: Red Maple 22%; Sugar Maple 78%.  
Oak Species Pulp & Bolts includes: Bur Oak 23%; Northern Pin Oak 2%; Red Oak 75%.

**Mixed Product Description:**

Ash Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.  
Basswood Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.  
Oak Species Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.  
Paper Birch Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.

**Season of Operations:**

- Oak wilt is within 20 miles and poses a threat. No sale operations allowed from April 15-July 15 due to oak wilt concerns, unless with written permission from State.
- Conduct sale operations on dry / frozen soil conditions only, except with written permission from State.

**Landings Roads and Trails:**

- Road right of way crossing approval from Carlton County Land Department may be required.

**Sale Conditions:**

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

**Marketing Conditions:**

Summer chance is for abnormally dry conditions. Soil is heavy clay.

To minimize landing needs RMZs will need to be crossed. The streams are small and intermittent. The crossing material will need to be corduroy at least 5" in diameter, and must be completely removed from the stream bed post harvest. No slash or dirt will be allowed in the crossings. If winter harvested use packed snow for the stream crossings.

Access is off the Soo Line Trail. This trail is managed by the Carlton County Land Department. A permit is required from them for any traffic (other than A.T.V.) on this road. This includes pickup trucks. All hauling and traffic on this trail must be done in accordance with their regulations.

A 50' wide right of way along the Soo Line Trail is owned by Carlton County and will need to be crossed. The permittee shall coordinate with Carlton County for crossing and possibly purchasing the timber within this strip.

Permit is not within the Ash quarantine area as of time offered for sale.

**Price Adjustments:**

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

**Appraiser:**

Benjamin I. Becker

(Appraisal ID 14199-0; Cutting Block ID 16586-0)

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**TRACT X2**

**COUNTY: CARLTON**

**AREA: CLOQUET AREA**

**ACRES: 34.8**

Permit Number: X016341  
Expiration Date: 05/31/2022

**Purchased By:** Thomas Anderson  
**Address:** 1459 Kalli Road, Cromwell, MN 55726

SWSW of Section 13 - Township 49, Range 20W.  
NESW, SENW, SESW, SWSW of Section 13 - Township 49, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 10	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULP & BOLTS	915.00	Cd	28.42	26,004.30	31.26	28,602.90
+ MAPLE SPECIES	PULP & BOLTS	95.00	Cd	17.28	1,641.60	19.01	1,805.95
BALSAM FIR	PULP & BOLTS	60.00	Cd	23.64	1,418.40	23.64	1,418.40
MIXED SPRUCE	PULP & BOLTS	50.00	Cd	28.56	1,428.00	28.56	1,428.00
PAPER BIRCH	PULP & BOLTS	40.00	Cd	14.28	571.20	14.28	571.20
ASH	PULPWOOD	30.00	Cd	10.80	324.00	10.80	324.00

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$31,387.50  
ADVANCE PAYMENT = \$4,708.13  
BID TOTAL = \$ 34,150.45

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

ANY LISTED SPECIES BIOMASS 570.00 Tons 1.20 684.00

**Mixed Species Description:**

Aspen Species Pulp & Bolts includes: Balm of Gilead 8%; Largetooth Aspen 8%; Trembling Aspen 84%.  
Maple Species Pulp & Bolts includes: Red Maple 95%; Sugar Maple 5%.  
Mixed Spruce Pulp & Bolts includes: Black Spruce 30%; White Spruce 70%.

**Mixed Product Description:**

Aspen Species Pulp & Bolts includes: Bolts 25%; Pulpwood 75%.  
Balsam Fir Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.  
Maple Species Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.  
Mixed Spruce Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.  
Paper Birch Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

**Cutting and Felling:**

- Harvest all listed merchantable species to required top diameters (Cutting Blocks 1 and 2).
- Reserve all balsam fir in stand 201 (unmarked and approximately 5-7 per acre). Reserve all non-listed species. Reserve islands indicated on map (Cutting Block 2).
- Reserve all non-listed species and avoid damaging non-merchantable balsam fir around trail, gravel pit and parking lot. Reserve islands indicated on map (Cutting Block 1).

**Season of Operations:**

- Conduct sale operations on dry / frozen soil conditions only, except with written permission from State (Cutting Blocks 1 and 2).
- Cutting block 2 has less of a summer chance harvest, and would require using mats (Cutting Block 2).

**Slash Disposal:**

- Biomass harvest is allowed on this permit. An Added Timber Agreement is required (Cutting Blocks 1 and 2).

**Sale Conditions:**

- Access is across state land (Cutting Blocks 1 and 2).

**Marketing Conditions:**

From Cromwell, sale is located 1 mile north on Hwy 73, 2 miles East on Krogh Rd, and 2.7 miles north on township 120 and 223 roads.

Sale was split into cutting blocks with cutting block 1 having the best chance of summer harvest.

Sale mostly utilizes natural boundary with paint lines indicated on map.

Stand 201 has a small pocket of wind-throw, wind-thrown trees were not appraised but may be utilized for roundwood or chips where possible.

At the time this permit was created it is not within an EAB quarantine.

**Price Adjustments:**

Road Construction Costs: +5%

Haul Distance to Nearest Mill: +5%

Stand Density: +10%

Operational Constraints: 0%

Other Price Factor: 0%

**Appraiser:**

Brian Patrick Schiller

(Appraisal ID 14127-0; Cutting Block ID 16494-0, 16498-0)

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**TRACT X3**

**COUNTY: ST. LOUIS**

**AREA: CLOQUET AREA**

**ACRES: 48.5**

Permit Number: X016342  
 Expiration Date: 05/31/2022

**Purchased By:** CTP Chipping Inc.  
**Address:** 53778 Fir Lane, Sandstone, MN 55072

NWSW,SWNW,SWSW of Section 34 - Township 52, Range 17W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 50	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ WHITE SPRUCE	PULP & BOLTS	940.00	Cd	22.60	21,244.00	33.90	31,866.00
ASPEN SPECIES	PULPWOOD	75.00	Cd	23.60	1,770.00	23.60	1,770.00
RED MAPLE	PULPWOOD	20.00	Cd	12.00	240.00	12.00	240.00
+ BID SPECIES      * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$23,254.00	BID TOTAL = \$ 33,876.00
				ADVANCE PAYMENT =		\$3,488.10	

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

ASH	PULPWOOD	40.00	Cd	9.00	360.00
ANY LISTED SPECIES	BIOMASS	410.00	Tons	1.00	410.00

**Mixed Species Description:**

Aspen Species Pulpwood includes: Balm of Gilead 10%; Trembling Aspen 90%.

**Mixed Product Description:**

White Spruce Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

**Cutting and Felling:**

- Harvest white spruce 2 sticks and over, aspen, red maple, and balm of Gilead. In optional ash harvest area, harvest all merchantable ash.
- Reserve white spruce under 2 sticks, balsam fir, birch, white pine, yellow birch, tamarack, jack pine, red oak, and all other species not listed as harvest. Reserve trees are very few and average less than two trees/acre. Reserve non-merchantable stems of harvest species that do not interfere with harvest operations.

**Season of Operations:**

- With written permission, very dry summer harvest is possible. Dry, non-frozen harvest will require an onsite meeting with permittee and TSA prior to signed written consent being given.

**Slash Disposal:**

- Biomass harvest is allowed on this permit. An Added Timber Agreement is required.

**Sale Conditions:**

- Access is across state land.

**Marketing Conditions:**

Ash is optional timber.

At the time of this purchase the permit is not within the Ash Quarantine Area.

Aspen harvest area consists of 2/3 blow-over; the area is approximately 4 acres in size. Only standing and healthy aspen were tallied. Permittee may utilize blown over timber with an added timber agreement.

**Pricing Factors:**

- +5% for haul distance
- 5% for operations in ~4 acres of blow-over



Appraiser: Craig Ferguson 218-878-5643

Avenza PDF map available upon request

**Price Adjustments:**

Road Construction Costs: 0%  
Haul Distance to Nearest Mill: +5%  
Stand Density: 0%  
Operational Constraints: 0%  
Other Price Factor: -5% (5 acres of blow-over to work around)

**Appraiser:**

Craig David Ferguson

(Appraisal ID 14194-0; Cutting Block ID 16568-0)

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

CLOQUET 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: December 13, 2018

- SUMMARY SHEET -

12/13/2018 INTERMEDIATE AUCTION - SALE #3

COMPLETED - DATA AS OF 12/13/2018

CLOQUET 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	11.66	641.30
	ASPEN SPECIES	915.00	Cd	31.26	28,602.90
	PAPER BIRCH	50.00	Cd	14.64	731.80
	MAPLE SPECIES	95.00	Cd	19.01	1,805.95
	BASSWOOD	175.00	Cd	10.78	1,886.50
	OAK SPECIES	115.00	Cd	23.10	2,656.50
	WHITE SPRUCE	940.00	Cd	33.90	31,866.00
	BALSAM FIR	60.00	Cd	23.64	1,418.40
	MIXED SPRUCE	50.00	Cd	28.56	1,428.00
PULPWOOD	ASH	30.00	Cd	10.80	324.00
	ASH (optional)	40.00	Cd	-	0.00
	ASPEN SPECIES	75.00	Cd	23.60	1,770.00
	TREMBLING ASPEN	365.00	Cd	26.40	9,636.00
	MAPLE SPECIES	65.00	Cd	13.20	858.00
	RED MAPLE	20.00	Cd	12.00	240.00
BIOMASS	ANY LISTED SPECIES (optional)	1,430.00	Tons	-	0.00
TOTAL SOLD TRACTS CONVERTED TO CORDS:		3,010.00			
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS:		\$ 70,480.40			
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:		\$ 83,865.35			
TOTAL ACRES SOLD:		120.2			
TOTAL NUMBER OF TRACTS SOLD:		3			