

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

CLOQUET AREA

STATUS: COMPLETED REGULAR AUCTION - SALE #1 ORAL BID

Notice is hereby given that I offered for sale at public auction in Carlton, MN at 9:00 AM on Thursday, May 9, 2019, timber belonging to the State of Minnesota. All tracts were offered at the Carlton County Land Department Building in Carlton, MN.

Some of the timber offered was certified by SFI or FSC or both. See the certification notes in the descriptions for the individual tracts for details.

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 CLOQUET AREA

9:00 AM on May 9, 2019 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 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 *Cerfification 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 9, 2020, at the following Area Headquarters: Cloquet Area.

(Terms Revised 07/01/2015)

TRACT B1 COUNTY: CARLTON

AREA: CLOQUET AREA

ACRES: 63.5

Permit Number: B014169 Expiration Date: 05/31/2022

> Purchased By: Address:

NESE, SESE, SWSE of Section 13; NENE of Section 24 - Township 48, Range 16W. NWNW of Section 19 - Township 48, Range 15W.

				APPRAISED		AISED	BID:		
					UNIT		UNIT		
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE	
- 1	MAPLE SPECIES	PULPWOOD	370.00	Cd	9.60	3,552.00	9.60	3,552.00	
-	- ASPEN SPECIES	PULPWOOD	360.00	Cd	15.88	5,716.80	15.88	5,716.80	
H	PAPER BIRCH	PULP & BOLTS	100.00	Cd	9.88	988.00	9.88	988.00	
	BALSAM FIR	PULPWOOD	10.00	Cd	11.20	112.00	11.20	112.00	
_	+ BID SPECIES *	SOLD ON APPRAISED VOLUME		APPRAIS	ED TOTAL =	\$10,368.80	BID TOTAI	_ = \$ 10,368.80	
			A	DVANCE	PAYMENT =	\$1,555.32			
(Optional Timber (may be purchased with an Added Timber Agreement):								

ANY LISTED SPECIES	BIOMASS	434.00	Tons	1.00	434.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 5%; Largetooth Aspen 5%; Trembling Aspen 90%. Maple Species Pulpwood includes: Red Maple 60%; Sugar Maple 40%.

Mixed Product Description:

Paper Birch Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.

Cutting and Felling:

- Harvest aspen, birch, maple, and balsam fir over 2 sticks. In clear-cut unit small amounts of birch, aspen, and maple are marked yellow and are to be reserved. In the northern hardwood unit there is a combination of species and yellow-marked reserves, approximately 1/2 of the volume will be reserved.

- Reserve red oak, yellow birch, white spruce, white pine, basswood, ash, all yellow marked trees, and all other species not on the harvest list in both harvest units. Reserve trees compromise approximatley 1/4 of the clear-cut unit and 1/2 of the northern hardwood unit.

Season of Operations:

- Conduct sale operations on frozen or very dry soil conditions only, except with written permission from State. - Non-frozen operations will require onsite meeting and written permission from Timber Sale Administrator.

Sale Conditions:

- Access is across private land.
- Permission to cross private land must be obtained by permittee.
- Initial contacts have been made with MN Power for private access. Contact sale administrator for details.

Marketing Conditions:

Electronic maps available by request.

Price Factor Adjustments: Road Construction -10% for isolated blocks due to private access and terrain Operational Constraints -10% steep terrain separating harvest areas

Price Adjustments:

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

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Craig David Ferguson

TRACT B2 COUNTY: CARLTON

AREA: CLOQUET AREA

Permit Number: B014170 Expiration Date: 05/31/2022

Purchased By: Sappi Cloquet LLC

Address: 20 N. 22nd Street, Cloquet, MN 55720

NENE,NESE,NWNE,SENE,SWNE of Section 9; SESE,SWSE of Section 4; NENE,NENW,NESW,NWNE,NWNW,NWSE,NWSW,SENW,SWNE,SWNW of Section 10; SWSW of Section 3 Township 49, Banga 10//

- Township 48, Range 19W.

				APPRAISED		BID %: 0				
						UNIT			UNIT	
-	SPECIES		PRODUCT	 VOLUME	UNIT		\$	VALUE	PRICE	\$ VALUE
+	ASPEN SPECIES	3	PULP & BOLTS	3,070.00	Cd	17.87	7	54,860.90	17.87	54,860.90
+	PAPER BIRCH		PULP & BOLTS	225.00	Cd	11.52	2	2,592.00	11.52	2,592.00
	MAPLE SPECIES	3	PULP & BOLTS	60.00	Cd	11.52	2	691.20	11.52	691.20
	ASH		PULP & BOLTS	40.00	Cd	7.02	2	280.80	7.02	280.80
	BALSAM FIR		PULP & BOLTS	30.00	Cd	14.40	C	432.00	14.40	432.00
-	BID SPECIES	* S	OLD ON APPRAISED VOLUME		APPRA	SED TOTAL :	=	\$58,856.90	BID TOTA	L = \$ 58,856.90
				А	DVANC	E PAYMENT :	=	\$8,828.54		

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

ANY LISTED SPECIES	BIOMASS	1,930.00	Tons 1.00	1,930.00

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 5%; Largetooth Aspen 2%; Trembling Aspen 93%. Maple Species Pulp & Bolts includes: Red Maple 95%; Sugar Maple 5%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 10%; Pulpwood 90%. Aspen Species Pulp & Bolts includes: Bolts 25%; Pulpwood 75%. Balsam Fir Pulp & Bolts includes: Bolts 20%; Pulpwood 80%. Maple Species Pulp & Bolts includes: Bolts 10%; Pulpwood 90%. Paper Birch Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.

Cutting and Felling:

- Harvest all merchantable Aspen Species, Paper Birch, Maple Species, Ash and Balsam Fir.

- This permit is in the Mervin OLMA sharp-tailed grouse management area. There are no reserve trees and permittee is encouraged to fell all snags where safety permits and to utilize/chip or knock down non-merchantable stems where possible.

Season of Operations:

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

- Due to soils and access (aspen islands), non-frozen access and harvest operations are not likely. But with written permission, very dry summer harvest is possible on portions of the harvest area. An onsite meeting with permittee, operator, and TSA will be required prior to access being given in writing by TSA.

Landings Roads and Trails:

- Access to harvest area will likely require the use of designated snowmobile trails. Prior to opening the permit, the permittee will contact the TSA with enough lead-time to allow for coordination with Parks and Trails on the use of the snowmobile trails.

Sale Conditions:

- Access is across State or private land. Best access for east units is through private land.

- Permission to cross private land must be obtained by permittee.

Marketing Conditions:

Harvest area has been impacted by wind events in 2016 and 2017, with a loss of less than 15% of volume. Lost volume was not appraised and this is not treated as a salvage permit. But damaged wood may be utilized.

Average height and DBH of main species: Aspen: 5 sticks, 10" (range of 7-14") Birch: 3-4 sticks, 10" (7-16") Maple: 3 sticks, 9" (6-13") Ash: 4 sticks, 8" (7-9") Balsam Fir: 3 sticks, 10" (8-11?)

This permit includes ash as a harvest species; and, at the time of purchase, is NOT within the Ash Quarantine Area.

Digital map or GPS shapefile of the permit area is available upon request to permit holder for use as a general reference.

Price Adjustments:

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

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Clayton M. Rakes

(Appraisal ID 14112-0; Cutting Block ID 16480-0)

TRACT B3 COUNTY: CARLTON

AREA: CLOQUET AREA

ACRES: 75.8

Permit Number: B014171 Expiration Date: 05/31/2022

Purchased By: Sappi Cloquet LLC

Address: 20 N. 22nd Street, Cloquet, MN 55720

SESW,SWSE of Section 24; NENW,NWNE of Section 25 - Township 49, Range 20W.

			APPRAISED		AISED	BID %: 0		
	SPECIES	PRODUCT	VOLUME	UNIT		\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	PULPWOOD	740.00	Cd	22.00	16.280.00	22.00	16.280.00
+	NORTHERN HARDWOODS	PULPWOOD	190.00		12.21	2,319.90	12.21	2,319.90
+	PAPER BIRCH	PULP & BOLTS	125.00	Cd	16.06	2,007.50	16.06	2,007.50
	ASH	PULPWOOD	40.00	Cd	7.70	308.00	7.70	308.00
	MIXED CONIFERS	PULPWOOD	5.00	Cd	18.21	91.05	18.21	91.05
	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$21,006.45 \$3,150.97	BID TOTAI	L = \$ 21,006.45

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

ANY LISTED SPECIES	BIOMASS	680.00	Tons	1.00	680.00

Mixed Species Description:

Mixed Conifers Pulpwood includes: Balsam Fir 15%; Black Spruce 80%; White Spruce 5%. Northern Hardwoods Pulpwood includes: Basswood 18%; Red Maple 60%; Sugar Maple 22%.

Mixed Product Description:

Paper Birch Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Best access is across private land on an existing road on the north side of the sale.

The only new road construction allowed for this sale is shown on the map as "Proposed New Road".

Decent summer chance, although pockets of lower ground that have seasonal standing water exist and will require dry conditions and limited equipment traffic.

The main access road is a designated ski trail.. DNR Forestry must be notified at least 5 working days before any sale operations take place, including clearing or access road construction. Ensure "Trucks Hauling" signs are prominently posted and maintained 200 feet beyond either side of any segment of any road or trail being temporarily used or crossed in conjunction with timber harvest operations. The permittee must repair any trail damage attributable to timber harvest operations before the sale is finalized. Maintain at least 4" snow depth on all trail surfaces during sale activities while operating from Dec.1- March 31

Cords/Acre listed in appraisal includes reserve acres, actual cords/acre is 17.3.

Price Adjustments:

Road Construction Costs: +10%

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

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Benjamin I. Becker

(Appraisal ID 14326-0; Cutting Block ID 16707-0)

TRACT B4 COUNTY: ST. LOUIS

AREA: CLOQUET AREA

Permit Number: B014172 Expiration Date: 05/31/2022

Purchased By: CTP Chipping Inc.

Address: 53778 Fir Lane, Sandstone, MN 55072

NENE,NENW,NWNE,NWNW,SENE,SWNE of Section 36 - Township 51, Range 15W. NWSW,SWNW of Section 36 - Township 51, Range 15W.

				APPRAISED		AISED	BID %: 211	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	PULP & BOLTS	1,295.00	Cd	13.82	17,896.90	42.98	55,659.10
+	PAPER BIRCH	PULP & BOLTS	270.00	Cd	8.33	2,249.10	25.91	6,995.70
+	WHITE SPRUCE	PULP & BOLTS	55.00	Cd	14.21	781.55	44.19	2,430.45
+	ASH	PULPWOOD	30.00	Cd	4.90	147.00	4.90	147.00
	MAPLE SPECIES	PULP & BOLTS	25.00	Cd	8.86	221.50	8.86	221.50
	BALSAM FIR	PULP & BOLTS	20.00	Cd	10.68	213.60	10.68	213.60
	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$21,509.65 \$3,226.45	BID TOTAI	L = \$ 65,667.35

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

ANY LISTED SPECIES	BIOMASS	975.00 Tons	1.00	975.00

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 9%; Largetooth Aspen 10%; Trembling Aspen 81%. Maple Species Pulp & Bolts includes: Red Maple 95%; Sugar Maple 5%.

Mixed Product Description:

Aspen Species Pulp & Bolts includes: Bolts 20%; Pulpwood 80%. Balsam Fir Pulp & Bolts includes: Bolts 13%; Pulpwood 88%. Maple Species Pulp & Bolts includes: Bolts 8%; Pulpwood 92%. Paper Birch Pulp & Bolts includes: Bolts 10%; Pulpwood 90%. White Spruce Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

Cutting and Felling:

- Harvest all Aspen, Paper Birch, Ash, Balsam Fir, White Spruce and Maple (Cutting Blocks 1 and 2).

- Multiple cutting block sale, see individual cutting blocks for specifications (Cutting Blocks 1 and 2).

Season of Operations:

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

- Approximately 30% of this sale is low ground and will likely be accessible only when the ground is frozen or in very dry conditions (Cutting Blocks 1 and 2).

Landings Roads and Trails:

- Road right of way crossing approval from Northern Natural Gas Pipeline Company, St. Louis County Road Department and Canosia Twp. may be required (Cutting Blocks 1 and 2).

Sale Conditions:

- Permission to cross Duluth Airport Authority, St. Louis County Road Department R/W and Canosia Twp R/W land must be obtained by permittee (Cutting Blocks 1 and 2).

Marketing Conditions:

Aspen Species Pulp & Bolts: Average 11" DBH and 5 sticks Ash Pulpwood: Average 9" DBH and 3 sticks Paper Birch Pulp & Bolts: Average 9" DBH and 4 sticks

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Maple Species Pulp & Bolts: Average 9" DBH and 4 sticks Balsam Fir Pulp & Bolts: Average 10" DBH and 4 sticks White Spruce Pulp & Bolts: Average 9" DBH and 4 sticks

Tree sizes are averages based on field estimates, actual sizes will vary larger or smaller.

A Northern Natural Gas (NNG) company pipeline crosses through the sale area. An 'air gap' bridge will be required for one crossing and potentially two others depending on access routes. Permittee shall contact NNG at least 3 business days prior to working on any pipeline crossings, for inspection and requirements. Contact TSA for general info on crossing.

Permittee shall contact County Road Department and Canosia Twp for any required road access permits that may be required to access this sale, except at the gated location.

Permittee shall arrange permission to cross Duluth Airport Authority land on either the existing access route, or other areas crossing their land. The Airport Authority is open to crossing their land, contact TSA for contact info.

This permit includes ash as a harvest species; and at the time of purchase, is within the Ash Quarantine Area. An MDA Compliance Agreement will be required to transport ash outside of the quarantine area. Contact MDA Regulatory Specialist Katy Longen at 651-201-6245 or Kathryne.longen@state.mn.us to obtain a compliance agreement.

Duluth Airport Authority is interested in harvesting areas of their land adjacent to the State timber sale. Contact Duluth Airport Authority for information.

The sale area has high fall hunting demand (bird and deer, including archery, rifle and muzzle loader). This sale is NOT restricted during hunting season, but permittee should be aware of issue and potential conflicts.

Appraiser Robert Slater, Duluth Office, 218-723-4791 ex222

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: +10% Stand Density: -5% Operational Constraints: 0% Other Price Factor: -20% (Small stands near intersection. Lowland areas.)

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Robert E. Slater

(Appraisal ID 14598-0; Cutting Block ID 17024-0, 17050-0)

TRACT B5 COUNTY: ST. LOUIS

AREA: CLOQUET AREA

ACRES: 31.0

Permit Number: B014173 Expiration Date: 05/31/2022

> Purchased By: Address:

NENW,NWNE of Section 16; SESW of Section 9 - Township 52, Range 13W. NWSW of Section 16 - Township 52, Range 13W.

					APPRAISED		BID:	
					UNIT		UNIT	
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	NORWAY PINE	PULP & BOLTS	475.00	Cd	20.16	9,576.00	20.16	9,576.00
	BALSAM FIR	PULPWOOD	80.00	Cd	11.20	896.00	11.20	896.00
	JACK PINE	PULPWOOD	20.00	Cd	7.20	144.00	7.20	144.00
	SCOTCH PINE	PULPWOOD	10.00	Cd	7.20	72.00	7.20	72.00
	WHITE SPRUCE	PULPWOOD	5.00	Cd	13.60	68.00	13.60	68.00
	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$10,756.00 \$1,613.40	BID TOTA	L = \$ 10,756.00

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

* ANY LISTED SPECIES	BIOMASS	257.00 Tons	1.00	257.00	

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.

Cutting and Felling:

- Harvest all balsam fir, all scotch pine, and two thirds of red pine and jack pine. Reserve 40 basal area of red and jack pine (Cutting Block 1).

- Multiple cutting block sale, see individual cutting blocks for specifications (Cutting Block 1).

- Reserve all maple, spruce, and aspen. These reserves will amount to about 5 trees per acre (Cutting Block 1).

- Reserve pine trees should be roughly 26 feet apart (Cutting Block 1).

- This block will be a red pine row thinning. Harvest 15 foot rows and reserve 30 foot rows. red pine (Cutting Block 2).

Season of Operations:

- Conduct sale operations on dry / frozen soil conditions only, except with written permission from State (Cutting Block 1).

Sale Conditions:

- Access is across state land (Cutting Block 1).

Marketing Conditions:

This permit is located 7 miles east of the intersection of county road 4 and Normanna road, then north 1/2 to 3/4 mile on solid snowmobile trail. Red Pine - 11" DBH / 5-4 stick BF - 7" DBH / 3-4 stick

This permit does not contain certified wood.

TSA: Dave Arras 218/723-4791 EXT: 221

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: -15% Stand Density: -5% Operational Constraints: 0% Other Price Factor: 0%

Certification Note:

The timber on this tract is from non-certified land.

Appraiser:

David W. Arras

(Appraisal ID 14576-0; Cutting Block ID 17000-0, 16933-0)

TRACT B6 COUNTY: ST. LOUIS

AREA: CLOQUET AREA

ACRES: 82.8

Permit Number: B014174 Expiration Date: 05/31/2023

Purchased By: Jatco, Inc.

Address: 121 W Lemon St, Duluth, MN 55811

GL04 of Section 5; GL01,GL03,GL04,SENE of Section 6 - Township 52, Range 17W. SWSE of Section 31; SENW,SWNW,SWSW of Section 32 - Township 53, Range 17W.

					APPRAISED		BID %: 0	
5	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	B PULP & BOLTS	1,580.00	Cd	18.94	29,925.20	18.94	29,925.20
+	MAPLE SPECIES	PULPWOOD	325.00	Cd	11.40	3,705.00	11.40	3,705.00
	TAMARACK	PULP & BOLTS	170.00	Cd	6.27	1,065.90	6.27	1,065.90
	BALSAM FIR	PULP & BOLTS	130.00	Cd	14.25	1,852.50	14.25	1,852.50
	BLACK SPRUCE	PULPWOOD	75.00	Cd	16.15	1,211.25	16.15	1,211.25
	ASH	PULPWOOD	30.00	Cd	6.65	199.50	6.65	199.50
	BASSWOOD	PULPWOOD	10.00	Cd	6.65	66.50	6.65	66.50
+	BID SPECIES	★ SOLD ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$38,025.85 \$5,703.88	BID TOTA	L = \$ 38,025.85

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

ANY LISTED SPECIES	BIOMASS	1,150.00 Tons	1.00	1,150.00	

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 2%; Trembling Aspen 98%. Maple Species Pulpwood includes: Red Maple 99%; Sugar Maple 1%.

Mixed Product Description:

Aspen Species Pulp & Bolts includes: Bolts 10%; Pulpwood 90%. Balsam Fir Pulp & Bolts includes: Bolts 10%; Pulpwood 90%. Tamarack Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Cutting and Felling:

- Harvest balsam 3 sticks and larger, aspen species, ash, maple, basswood, black spruce and tamarack.

- Reserve white spruce, elm, birch, pine, cedar, 1 large aspen, 1 large maple per acre and reserve balsam less than 3 sticks wherever possible. Clumps of regen of the above species should be reserved as possible where they exist. Reserves should amount to about 5% of stand.

- It is recommended that the feller operator get 1-2 weeks ahead or more on felling in lowland black spruce, tamarack and ash areas to aid in further freezing down the site.

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 whole sale may be accessed through state land, however better access may be obtained through private land with permission.

Marketing Conditions:

Sale is located 4 miles North of Alborn where Stoneybrook Rd leads into the West part of Birch Rd.

Harvest area has been minorly impacted by wind event in 2017, with a loss of less than 5% of volume. Lost volume was not appraised and this is not treated as a salvage permit. But damaged wood may be utilized.

Prices have been reduced 5% as the permittee will have to work around a minor amount of blowdown to harvest the mature standing timber.

Appraiser: Wes Habedank 476-7022

This permit includes ash as a harvest species; and, at the time of purchase, is NOT within the Ash Quarantine Area.

An Avenza PDF map of the permit area is available upon request for use as a general reference.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: +5% Stand Density: +5% Operational Constraints: -10% Other Price Factor: -5% (blowdown to work around)

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Wesley J. Habedank

(Appraisal ID 14649-0; Cutting Block ID 17105-0)

ISOI I

TRACT B7 COUNTY: ST. LOUIS

AREA: CLOQUET AREA

ACRES: 42.8

Permit Number: B014175 Expiration Date: 05/31/2022

> Purchased By: Address:

SESE,SWSE of Section 34 - Township 54, Range 14W.

					APPR	APPRAISED		
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	SPRUCE-BALSAM	I PULPWOOD	385.00	Cd	2.50	962.50	2.50	962.50
	ASPEN SPECIES	PULPWOOD	85.00	Cd	2.50	212.50	2.50	212.50
	ASH	PULPWOOD	40.00	Cd	2.50	100.00	2.50	100.00
-	► BID SPECIES	SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$1,275.00 \$191.25	BID TOTA	AL = \$ 1,275.00

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

* ANY LISTED SPECIES	BIOMASS	275.00	Tons	1.00	275.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 5%; Trembling Aspen 95%. Spruce-Balsam Pulpwood includes: Balsam Fir 5%; Black Spruce 5%; White Spruce 90%.

Cutting and Felling:

- Harvest all spruce, aspen, balsam fir and all ash > 6" DBH.

- Reserve all white pine, birch, and maple.

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.

Marketing Conditions:

Sale is located 8 miles north on Hwy 4 from Island Lake Inn and then 2 miles west on access road. Price reduction on round wood is set at a minimum of \$2.50 for reasons of seasonal access, 3/4 mile of road building on upland young aspen, spruce budworm, and re-offered wood. 12 cords per acre for all listed species.

This permit includes ash as a harvest species; and, at the time of purchase, is not within the Ash Quarantine Area. Quarantine boundaries may change prior to harvest. Be sure of boundary location prior to hauling. An MDA Compliance Agreement will be required to transport ash outside of the quarantine area. Contact MDA Regulatory Specialist to obtain a

TSA Dave Arras 218/723-4791 EXT. 221

compliance agreement. TSA has contact information.

Price Adjustments:

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

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

David W. Arras

(Appraisal ID 12539-0; Cutting Block ID 13848-0)

TRACT B8 COUNTY: ST. LOUIS

AREA: CLOQUET AREA

ACRES: 100.6

Permit Number: B014176 Expiration Date: 05/31/2022

Purchased By: Hedstrom Lumber Company Inc. Address: 1504 Gunflint Trail, Grand Marais, MN 55604

NESW,SESW of Section 16 - Township 55, Range 13W. NENE,NESE,NWNE,SENE,SESE,SWNE of Section 16 - Township 55, Range 13W. NENW,NWNE,SENW of Section 16 - Township 55, Range 13W.

					APPRAISED		BID	%: 20
S	PECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
÷	NORWAY PINE	WOODSRUN MIXED PRODUCTS	560.00	Cd	13.59	7,610.40	16.31	9,133.60
+	TREMBLING ASPEN	PULPWOOD	420.00	Cd	14.00	5,880.00	16.80	7,056.00
+	MIXED SPRUCE	PULP & BOLTS	330.00	Cd	14.68	4,844.40	17.62	5,814.60
	BALSAM FIR	PULP & BOLTS	95.00	Cd	10.50	997.50	10.50	997.50
	PAPER BIRCH	PULPWOOD	25.00	Cd	7.70	192.50	7.70	192.50
+	BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$19,524.80 \$2,928.72	BID TOTA	L = \$ 23,194.20

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

* ANY LISTED SPECIES	BIOMASS	715.00 Tons	1.00	715.00	

Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 5%; White Spruce 95%.

Mixed Product Description:

Balsam Fir Pulp & Bolts includes: Bolts 10%; Pulpwood 90%. Mixed Spruce Pulp & Bolts includes: Bolts 36%; Pulpwood 64%. Norway Pine Woodsrun Mixed Products includes: Bolts 52%; Pulpwood 7%; Sawtimber (Softwood Only) 41%.

Cutting and Felling:

- Harvest UNPAINTED red pine (Cutting Block 3).
- Harvest aspen, spruce, birch, balsam fir (Cutting Block 2).
- Harvest yellow painted red pine and spruce, and all aspen, birch and balsam fir (Cutting Block 1).
- Multiple cutting block sale, see individual cutting blocks for specifications (Cutting Block 1).
- Reserve all pink painted trees, tamarack, and all maple trees that do not interfere with sale operations (Cutting Block 2).
- Reserve pink painted trees, and all birch, aspen, and maple that do not interfere with sale operations (Cutting Block 3).
- Reserve unpainted red pine and spruce, and all maple that does not interfere with sale operations (Cutting Block 1).

Season of Operations:

- Conduct sale operations on dry / frozen soil conditions only, except with written permission from State (Cutting Block 1).
- April 15 May 15: no harvest within 330 feet of the creek. May 15 Sept. 15: no harvest within 1/4 mile of creek. Sept. 15
- Oct. 30: no harvest within 330 feet of creek (Cutting Block 1).

Sale Conditions:

- Access is across county and state land (Cutting Block 2).

- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale (Cutting Block 2).

Marketing Conditions:

Sale is located 15 miles north of Island Lake Inn and 6 miles east on the Brimson Road. Red Pine - 5 sticks / 12" DBH Aspen - 5 sticks / 9" DBH Spruce - 6 sticks / 12" DBH Prices were adjusted -10% for distance and improvement of woods road and winter harvesting of pine. Prices were adjusted another -15% for re-offer of this permit. Appraiser: Dave Arras 218-723-4791 EX. 221

Price Adjustments:

Road Construction Costs: -5% Haul Distance to Nearest Mill: 0% Stand Density: 0% Operational Constraints: -10% Other Price Factor: -15% (re-offer)

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

David W. Arras

(Appraisal ID 14221-0; Cutting Block ID 16590-0, 16585-0, 16592-0)

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: May 9, 2019

CLOQUET AREA

SUMMARY FOR SOLD TRACTS								
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE			
PULP & BOLTS	ASH	40.00	Cd	7.02	280.80			
	ASPEN SPECIES	5,945.00	Cd	23.62	140,445.20			
	PAPER BIRCH	620.00	Cd	18.70	11,595.20			
	MAPLE SPECIES	85.00	Cd	10.74	912.70			
	WHITE SPRUCE	55.00	Cd	44.19	2,430.45			
	BALSAM FIR	275.00	Cd	12.71	3,495.60			
	TAMARACK	170.00	Cd	6.27	1,065.90			
	MIXED SPRUCE	330.00	Cd	17.62	5,814.60			
WOODSRUN MIXED PRODUCTS	NORWAY PINE	560.00	Cd	16.31	9,133.60			
PULPWOOD	ASH	100.00	Cd	6.55	654.50			
	TREMBLING ASPEN	1,160.00	Cd	20.12	23,336.00			
	PAPER BIRCH	25.00	Cd	7.70	192.50			
	MAPLE SPECIES	325.00	Cd	11.40	3,705.00			
	NORTHERN HARDWOODS	190.00	Cd	12.21	2,319.90			
	BASSWOOD	10.00	Cd	6.65	66.50			
	BLACK SPRUCE	75.00	Cd	16.15	1,211.25			
	MIXED CONIFERS	5.00	Cd	18.21	91.05			
BIOMASS	ANY LISTED SPECIES (optional)	5,450.00	Tons	-	0.00			
TOTAL APP	AL SOLD TRACTS CONVERTED TO CORDS: RAISED DOLLAR VALUE OF SOLD TRACTS: BID-UP DOLLAR VALUE OF SOLD TRACTS: TOTAL ACRES SOLD: SOLD TRACT NUMBERS:	\$ 158,923.65 \$ 206,750.75 486.2 2, 3, 4, 6, 8						

TOTAL NUMBER OF TRACTS SOLD: 5

SUMMARY FOR UNSOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	PAPER BIRCH	100.00	Cd	9.88	988.00
	NORWAY PINE	475.00		20.16	9,576.00
PULPWOOD	ASH	40.00	Cd	2.50	100.00
	ASPEN SPECIES	445.00	Cd	13.32	5,929.30
	MAPLE SPECIES	370.00	Cd	9.60	3,552.00
	JACK PINE	20.00	Cd	7.20	144.00
	SCOTCH PINE	10.00	Cd	7.20	72.00
	SPRUCE-BALSAM	385.00	Cd	2.50	962.50
	WHITE SPRUCE	5.00	Cd	13.60	68.00
	BALSAM FIR	90.00	Cd	11.20	1,008.00
BIOMASS	ANY LISTED SPECIES (optional)	966.00	Tons	1.00	966.00
	AL UNSOLD TRACTS CONVERTED TO CORDS RAISED DOLLAR VALUE OF UNSOLD TRACTS TOTAL ACRES UNSOLD	\$ 22,399.80			
	UNSOLD TRACT NUMBERS	: 1, 5, 7			
	TOTAL NUMBER OF TRACTS UNSOLD	: 3			