



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
REGULAR AUCTION - SALE #1
SEALED BID

Notice is hereby given that I offered for sale by sealed bid auction, timber belonging to the State of Minnesota. Bid forms were required to be submitted at the address listed on the bid form prior to 4:30 PM on Tuesday, November 24, 2020. All tracts were awarded at the Bid Awarding at the Hibbing Area Forestry Office on 11/25/2020 at 1PM in Hibbing, MN.

All of the timber offered was SFI and FSC certified.

The following pages list the lands upon which the timber was located, the estimated quantities of timber offered, the appraised prices, and the bid prices.

Minnesota DNR is Certified to the Sustainable Forestry Initiative® and/or the Forest Stewardship Council®.
For information on our certificates go to mndnr.gov/forestry/certification/certificates.html



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY
REGULAR AUCTION
SEALED BID TIMBER SALE
HIBBING AREA

**SEALED BIDS MUST BE RECEIVED PRIOR TO
4:30 PM on November 24, 2020**

Bids will be awarded at the following location:

Bid Awarding at the Hibbing Area Forestry Office on 11/25/2020 at 1PM in Hibbing, 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. Bids must be submitted on bid forms provided by the State, all bids must be submitted in one or more envelopes, the envelopes should be marked with the auction name. Bid forms may be obtained online at <https://www.dnr.state.mn.us/forestry/timbersales/calendar.html> or from the Forestry Area Office(s) listed above. Bids may be submitted by mail or in person at any time during regular business hours prior to the bid submission deadline (4:30 PM on November 24, 2020). 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)].

ADVANCE PAYMENT

- The advance payment of fifteen (15) percent of the appraised value of the timber is due within fourteen (14) days from the bid opening date. Advance payments will not be accepted with the bid. Failure to provide the advance payment within 14 days of the bid opening date will result in forfeiture of the permit and the purchaser will be held liable for the advance payment. The successful bidders's advance payment will be kept on deposit by the State and applied against any billings for timber.

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 an advance payment and bid guarantee. Security can be furnished in the following forms: Corporate surety bond, 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 advance 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 advance 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 November 24, 2021, at the following Area Headquarters: Hibbing Area.

TRACT B1 COUNTY: ST. LOUIS AREA: HIBBING AREA ACRES: 184.1

Permit Number: B014747
Expiration Date: 05/31/2023

Purchased By: Truaxe Forest Harvesting LLC
Address: 912 1/2 15th St N, Virginia, MN 55792

GL05, GL11, GL12, GL13 of Section 18; GL03 of Section 17; GL09, GL11, GL12 of Section 19 - Township 56, Range 18W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 120	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULP & BOLTS	3,218.00	Cd	18.70	60,176.60	41.14	132,388.52
BALSAM FIR	PULP & BOLTS	358.00	Cd	15.80	5,656.40	15.80	5,656.40
ASH	WOODSRUN MIXED PRODUCTS	251.00	Cd	15.02	3,770.02	15.02	3,770.02
NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	224.00	Cd	50.60	11,334.40	50.60	11,334.40
RED MAPLE	PULPWOOD	145.00	Cd	11.00	1,595.00	11.00	1,595.00
WHITE PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	138.00	Cd	40.70	5,616.60	40.70	5,616.60
PAPER BIRCH	PULP & BOLTS	59.00	Cd	13.09	772.31	13.09	772.31
MIXED SPRUCE	PULP & BOLTS	53.00	Cd	15.62	827.86	15.62	827.86
JACK PINE	PULP & BOLTS	14.00	Cd	19.91	278.74	19.91	278.74

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$90,027.93
ADVANCE PAYMENT = \$13,504.19
BID TOTAL = \$ 162,239.85

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

ANY LISTED SPECIES BIOMASS 3,260.00 Tons 0.72 2,347.20

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Largetooth Aspen 3%; Trembling Aspen 97%.
Mixed Spruce Pulp & Bolts includes: Black Spruce 10%; White Spruce 90%.

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 25%; Pulpwood 63%; Sawlog-Grade 2 (Hardwood) 12%.
Aspen Species Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.
Balsam Fir Pulp & Bolts includes: Bolts 53%; Pulpwood 47%.
Jack Pine Pulp & Bolts includes: Bolts 74%; Pulpwood 26%.
Mixed Spruce Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 23%; Pulpwood 26%; Sawtimber (Softwood Only) 51%.
Paper Birch Pulp & Bolts includes: Bolts 19%; Pulpwood 81%.
White Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 23%; Pulpwood 26%; Sawtimber (Softwood Only) 51%.

Season of Operations:

- Conduct sale operations on frozen or very dry soil conditions only, except with written permission from State.
- All sale operations are restricted from April 15 to September 15 within 1/4 mile (1,320') of the St. Louis River to protect the wood turtle and its habitat. Additionally, all sale operations are restricted from September 15 to October 30 within 1/8 mile (660') of the St. Louis River to protect the wood turtle and its habitat.

Sale Conditions:

- Access is across county and state land.
- Permission to cross county land must be obtained by permittee.
- The main access route into the sale area, a woods road through county land, also crosses a Minnesota Power transmission line right-of-way. Permission to cross the right-of-way must be obtained by the permittee.

Marketing Conditions:

- All state ownership painted sale boundaries are identified with both blue flagging and double blue paint. All interior painted

sale boundaries are identified with single blue paint.

- The soils are highly variable throughout the sale area. In general, the soils are sandy farther away from and change to loam and clay close to the St. Louis River. The season of operations will vary greatly depending on the weather. Portions of the sale area may be operable during normal conditions, other areas will only be operable during very dry soil conditions, and a significant portion of the sale area closer to the river will only be operable during frozen soil conditions. The wood turtle restrictions will also impact the timing of sale operations.

- The entire sale area averages 24.2 cords/acre, however, some areas in the Aspen Clearcut Unit are as high as 65 cords/acre.

- Additional private timber adjacent to the Aspen Clearcut Unit (Stand 441) may be available for purchase. The landowner has expressed interest in harvesting some aspen.

- For more information, contact Corey Skerjance at (218) 735-3954.

Price Adjustments:

Road Construction Costs: +10%

Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: 0%

Appraiser:

Corey Mark Skerjance

(Appraisal ID 16239-0; Cutting Block ID 18871-0)

TRACT B2

COUNTY: ITASCA

AREA: HIBBING AREA

ACRES: 24.0

Permit Number: B014748
Expiration Date: 05/31/2023

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

GL01, GL02 of Section 2 - Township 60, Range 22W.
NESW, NWSE, SENW, SWNE of Section 36 - Township 61, Range 22W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 54	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	PULP & BOLTS	370.00	Cd	23.98	8,872.60	36.93	13,664.10
RED MAPLE	PULPWOOD	2.00	Cd	10.00	20.00	10.00	20.00
TREMBLING ASPEN	PULPWOOD	2.00	Cd	17.00	34.00	17.00	34.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$8,926.60	BID TOTAL = \$ 13,718.10
				ADVANCE PAYMENT =		\$1,338.99	

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

BALSAM FIR	PULPWOOD	10.00	Cd	8.00	80.00
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Mixed Species Description:

Pine Species Pulp & Bolts includes: Jack Pine 11%; Norway Pine 89%.

Mixed Product Description:

Pine Species Pulp & Bolts includes: Bolts 80%; Pulpwood 20%.

Cutting and Felling:

- No skidding with branches allowed and trees may have to be cut into shorter lengths before skidding.

Season of Operations:

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

Slash Disposal:

- Biomass harvest is not allowed on this permit.

Sale Conditions:

- Excellent summer access off the Snake Trail State Forest Road.

Marketing Conditions:

Harvest areas are located on summer logging roads off the Snake Trail State Forest Road.

Price Adjustments:

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

Appraiser:

Jeff J. Sirjord

TRACT B3

COUNTY: ST. LOUIS

AREA: HIBBING AREA

ACRES: 30.7

Permit Number: B014749
Expiration Date: 05/31/2023

Purchased By:
Address:

UNSOLD

GL03, GL04 of Section 1 - Township 61, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ WHITE SPRUCE	PULPWOOD	194.00	Cd	6.75	1,309.50	6.75	1,309.50
+ TREMBLING ASPEN	PULPWOOD	88.00	Cd	12.75	1,122.00	12.75	1,122.00
BALSAM FIR	PULPWOOD	60.00	Cd	6.00	360.00	6.00	360.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$2,791.50	BID TOTAL = \$	2,791.50
				ADVANCE PAYMENT =	\$418.73		

Season of Operations:

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

Slash Disposal:

- Biomass harvest is not allowed on this permit.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Winter access off the Leander Road.

Price Adjustments:

- Road Construction Costs: 0%
- Haul Distance to Nearest Mill: 0%
- Stand Density: 0%
- Operational Constraints: 0%
- Other Price Factor: -25% (First Thinning)

Appraiser:

Andrew E. Carlson

TRACT B4 COUNTY: ST. LOUIS AREA: HIBBING AREA ACRES: 30.4

Permit Number: B014750
Expiration Date: 05/31/2023

Purchased By: UPM - Blandin Paper
Address: 115 First Street SW, Grand Rapids, MN 55744

SWSE of Section 13; NENW,NWNE,NWNW of Section 24 - Township 61, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 75	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULP & BOLTS	335.00	Cd	16.94	5,674.90	29.65	9,932.75
+ BLACK SPRUCE	PULPWOOD	260.00	Cd	9.00	2,340.00	15.75	4,095.00
+ TAMARACK	PULPWOOD	155.00	Cd	6.00	930.00	10.50	1,627.50
JACK PINE	PULP & BOLTS	5.00	Cd	13.00	65.00	13.00	65.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$9,009.90	BID TOTAL = \$	15,720.25
				ADVANCE PAYMENT =	\$1,351.49		

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

BALSAM FIR	PULPWOOD	75.00	Cd	8.00	600.00		
ANY LISTED SPECIES	BIOMASS	364.00	Tons	1.00	364.00		

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 2%; Trembling Aspen 98%.

Mixed Product Description:

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

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

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

Marketing Conditions:

Sale areas can be accessed from the Range Line Road(1/4 mile) through private land or the Sand Creek Road(3/4 mile)through private land.

Larch Beetle is present-5% mortality; 10% affected

A small amount of Mistletoe is present in the Black Spruce.

Price Adjustments:

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

Appraiser:

Jeff J. Sirjord

TRACT B5

COUNTY: ITASCA

AREA: HIBBING AREA

ACRES: 92.3

Permit Number: B014751
Expiration Date: 05/31/2023

Purchased By: Packaging Corporation of America
Address: 400 Third Ave East, International Falls, MN 56649

NWNW,NWSW,SWNW of Section 25 - Township 61, Range 23W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 141	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	2,600.00	Cd	16.06	41,756.00	38.70	100,620.00
WHITE SPRUCE	PULP & BOLTS	105.00	Cd	14.72	1,545.60	14.72	1,545.60
BALSAM FIR	PULPWOOD	70.00	Cd	7.60	532.00	7.60	532.00
NORTHERN HARDWOODS	PULPWOOD	30.00	Cd	7.37	221.10	7.37	221.10

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$44,054.70 BID TOTAL = \$ 102,918.70
ADVANCE PAYMENT = \$6,608.21

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

ANY LISTED SPECIES BIOMASS 1,165.00 Tons 0.62 722.30

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 3%; Trembling Aspen 97%.
Northern Hardwoods Pulpwood includes: Ash 56%; Paper Birch 44%.

Mixed Product Description:

White Spruce Pulp & Bolts 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 Itasca County, Molpus and State land.
- Permission to cross Itasca County and Molpus land must be obtained by permittee.

Marketing Conditions:

Very nice aspen sale located south of Thistledeew Lake and west of State Highway 65. Access is winter only as a beaver flowage has to be crossed.

Price Adjustments:

Road Construction Costs: -10%
Haul Distance to Nearest Mill: 0%
Stand Density: +5%
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: November 24, 2020

- SUMMARY SHEET -

11/24/2020 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 12/09/2020

HIBBING AREA

SUMMARY FOR <u>SOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASPEN SPECIES	3,553.00	Cd	40.06	142,321.27
	PAPER BIRCH	59.00	Cd	13.09	772.31
	PINE SPECIES	370.00	Cd	36.93	13,664.10
	JACK PINE	19.00	Cd	18.09	343.74
	WHITE SPRUCE	105.00	Cd	14.72	1,545.60
	BALSAM FIR	358.00	Cd	15.80	5,656.40
	MIXED SPRUCE	53.00	Cd	15.62	827.86
WOODSRUN MIXED PRODUCTS	ASH	251.00	Cd	15.02	3,770.02
PULPWOOD	ASPEN SPECIES	2,600.00	Cd	38.70	100,620.00
	TREMBLING ASPEN	2.00	Cd	17.00	34.00
	NORTHERN HARDWOODS	30.00	Cd	7.37	221.10
	RED MAPLE	147.00	Cd	10.99	1,615.00
	BALSAM FIR (optional)	85.00	Cd	-	0.00
	BALSAM FIR	70.00	Cd	7.60	532.00
	BLACK SPRUCE	260.00	Cd	15.75	4,095.00
TAMARACK	155.00	Cd	10.50	1,627.50	
BIOMASS	ANY LISTED SPECIES (optional)	4,789.00	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	WHITE PINE	138.00	Cd	40.70	5,616.60
	NORWAY PINE	224.00	Cd	50.60	11,334.40

TOTAL SOLD TRACTS CONVERTED TO CORDS: 8,479.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 152,019.13
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 294,596.90
TOTAL ACRES SOLD: 330.8
SOLD TRACT NUMBERS: 1, 2, 4, 5
TOTAL NUMBER OF TRACTS SOLD: 4

SUMMARY FOR <u>UNSOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULPWOOD	TREMBLING ASPEN	88.00	Cd	12.75	1,122.00
	WHITE SPRUCE	194.00	Cd	6.75	1,309.50
	BALSAM FIR	60.00	Cd	6.00	360.00

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 342.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 2,791.50
TOTAL ACRES UNSOLD: 30.7
UNSOLD TRACT NUMBER: 3
TOTAL NUMBER OF TRACTS UNSOLD: 1