



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**  
**REGULAR AUCTION - SALE #5**  
**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 Monday, December 21, 2020. All tracts were awarded at the Cloquet Forestry Office on 12/22/2020 at 9:30 AM in Cloquet, 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](http://mndnr.gov/forestry/certification/certificates.html)



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

**SEALED BIDS MUST BE RECEIVED PRIOR TO  
4:30 PM on December 21, 2020**

**Bids will be awarded at the following location:  
Cloquet Forestry Office on 12/22/2020 at 9:30 AM in Cloquet, 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 December 21, 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 December 21, 2021, at the following Area Headquarters: Cloquet Area.

**TRACT B1** COUNTY: CARLTON AREA: CLOQUET AREA ACRES: 85.4

Permit Number: B014825  
Expiration Date: 05/31/2023

Purchased By: Futurewood Corp  
Address: 9676 N Kruger Rd, Hayward, WI 54843

NENE,NENW,NWNW,SENE,SENW,SWNE of Section 36 - Township 46, Range 19W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 57	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ RED OAK	PULP & BOLTS	645.00	Cd	20.60	13,287.00	32.34	20,859.30
+ ASPEN SPECIES	PULP & BOLTS	550.00	Cd	17.00	9,350.00	26.69	14,679.50
+ MAPLE SPECIES	PULP & BOLTS	530.00	Cd	13.00	6,890.00	20.41	10,817.30
+ BASSWOOD	PULP & BOLTS	205.00	Cd	9.10	1,865.50	14.29	2,929.45
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$31,392.50	BID TOTAL = \$	49,285.55
				ADVANCE PAYMENT =	\$4,708.88		

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

BALSAM FIR	PULP & BOLTS	145.00	Cd	9.20	1,334.00		
ANY LISTED SPECIES	BIOMASS	1,470.00	Tons	0.65	955.50		

**Mixed Species Description:**

Aspen Species Pulp & Bolts includes: Largetooth Aspen 20%; Trembling Aspen 80%.  
Maple Species Pulp & Bolts includes: Red Maple 35%; Sugar Maple 65%.

**Mixed Product Description:**

Aspen Species Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.  
Balsam Fir Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.  
Basswood Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.  
Maple Species Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.  
Red Oak Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.

**Cutting and Felling:**

- Harvest merchantable aspen, basswood, maple, red oak and balsam fir.

**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.

**Slash Disposal:**

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

**Landings Roads and Trails:**

- The Recreation trail may be used as access. 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. No logging equipment, wood piles, slash or logging debris will remain on the trail treadway and/or trail right-of-way during or after permit operations. Trail must be maintained wide enough to allow truck and ATV/snowmobile traffic to safely pass. 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.

**Sale Conditions:**

- Access is across shared private trail (permission not needed) and State land.

**Marketing Conditions:**

Avenza/GPS map of the sale can be provided upon request.

Administrator Josh Muchow can be reached at 218-878-5647

**Price Adjustments:**

Road Construction Costs: 0%

Haul Distance to Nearest Mill: +5%

Stand Density: 0%

Operational Constraints: -5%

Other Price Factor: 0%

**Appraiser:**

Joshua C. Muchow

(Appraisal ID 16270-0; Cutting Block ID 18883-0)

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**TRACT B2**

**COUNTY: ST. LOUIS**

**AREA: CLOQUET AREA**

**ACRES: 95.0**

Permit Number: B014826  
Expiration Date: 05/31/2023

Purchased By:  
Address:

**UNSOLD**

NENE,NESE,NWNE,SENE,SESE,SWSE of Section 36 - Township 52, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASH	PULP & BOLTS	885.00	Cd	8.58	7,593.30	8.58	7,593.30
+ ASPEN SPECIES	PULPWOOD	450.00	Cd	17.88	8,046.00	17.88	8,046.00
+ WHITE SPRUCE	PULP & BOLTS	405.00	Cd	15.62	6,326.10	15.62	6,326.10
+ MAPLE SPECIES	PULPWOOD	325.00	Cd	11.00	3,575.00	11.00	3,575.00
BALSAM FIR	PULP & BOLTS	110.00	Cd	11.44	1,258.40	11.44	1,258.40
WHITE PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	75.00	Cd	40.70	3,052.50	40.70	3,052.50
TAMARACK	PULP & BOLTS	60.00	Cd	8.85	531.00	8.85	531.00
PAPER BIRCH	PULP & BOLTS	35.00	Cd	13.20	462.00	13.20	462.00

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$30,844.30  
ADVANCE PAYMENT = \$4,626.65  
BID TOTAL = \$ 30,844.30

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

ANY LISTED SPECIES BIOMASS 1,200.00 Tons 0.65 780.00

**Mixed Species Description:**

Aspen Species Pulpwood includes: Balm of Gilead 25%; Trembling Aspen 75%.  
Maple Species Pulpwood includes: Red Maple 80%; Sugar Maple 20%.

**Mixed Product Description:**

Ash Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.  
Balsam Fir Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.  
Paper Birch Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.  
Tamarack Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.  
White Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 20%; Pulpwood 20%; Sawtimber (Softwood Only) 60%.  
White Spruce Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.

**Season of Operations:**

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

**Sale Conditions:**

- Access is across state land.

**Marketing Conditions:**

The sale is located 6 miles east of Floodwood on County Road 8 and 2 miles north on McGonagle Rd. Sale will then be on the west side of McGonagle Rd.

The western boundary of the sale borders an Old Growth stand. The operator will need to take extra precaution when operating near the blue painted boundary.

Due to regeneration concerns removal of BF is required.

Justification for price adjustments are as follows. Road construction is up +10% due to the sale being on a county road and no need for logger to build any roads. The haul distance to the mill is 45 miles which is +5% due to State guidelines. The stand density is up 5% based on the cords/acre. Operational constraints are -10% since the sale is a winter only harvest.

**Price Adjustments:**

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

**Appraiser:**

Cody Crawford

(Appraisal ID 15391-0; Cutting Block ID 17909-0)

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**TRACT B3** COUNTY: ST. LOUIS AREA: CLOQUET AREA ACRES: 96.0

Permit Number: B014827  
Expiration Date: 05/31/2024

**Purchased By:** Douglas Hustad Logging Inc.  
**Address:** 4566 W Raymond Rd, Gilbert, MN 55741

NWSE,SESW,SWSE of Section 22; SWNE of Section 27 - Township 55, Range 14W.  
SESE of Section 22; NENE of Section 27 - Township 55, Range 14W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 11	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	620.00	MBF	72.00	44,640.00	79.92	49,550.40
+ WHITE PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	100.00	MBF	53.64	5,364.00	59.54	5,954.00

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$50,004.00      BID TOTAL = \$ 55,504.40  
 ADVANCE PAYMENT = \$7,500.60

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

BALSAM FIR	PULPWOOD	10.00	Cd	7.20	72.00
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**Mixed Product Description:**

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 35%; Pulpwood 0%; Sawtimber (Softwood Only) 65%.  
White Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 30%; Pulpwood 10%; Sawtimber (Softwood Only) 60%.

**Cutting and Felling:**

- Multiple cutting block sale, see individual cutting blocks for specifications (Cutting Blocks 1 and 2).
- Damaged reserve trees will be charged according to the liquidated damages schedule. Damage is defined as 10% of stem circumference and greater than 30% of live crown (Cutting Blocks 1 and 2).

**Sale Conditions:**

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

**Marketing Conditions:**

White Pine averages 7 stick and 16"dbh  
Norway Pine average 7 stick and 16"dbh  
Balsam Fir varies from 1-5 stick and 5-9"dbh  
Appraiser: James Kelley  
Duluth Work Station  
4805 Rice Lake Road, Duluth, MN 55803  
Phone 218-723-4791 ext 223

**Price Adjustments:**

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

**Appraiser:**

James G. Kelley

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 21, 2020



- SUMMARY SHEET -

12/21/2020 REGULAR AUCTION - SALE #5

COMPLETED - DATA AS OF 12/31/2020

CLOQUET AREA

**SUMMARY FOR SOLD TRACTS**

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASPEN SPECIES	550.00	Cd	26.69	14,679.50
	MAPLE SPECIES	530.00	Cd	20.41	10,817.30
	BASSWOOD	205.00	Cd	14.29	2,929.45
	RED OAK	645.00	Cd	32.34	20,859.30
	BALSAM FIR (optional)	145.00	Cd	-	0.00
PULPWOOD	BALSAM FIR (optional)	10.00	Cd	-	0.00
BIOMASS	ANY LISTED SPECIES (optional)	1,470.00	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	WHITE PINE	100.00	MBF	59.54	5,954.00
	NORWAY PINE	620.00	MBF	79.92	49,550.40

**TOTAL SOLD TRACTS CONVERTED TO CORDS:** 3,525.00  
**TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS:** \$ 81,396.50  
**TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:** \$ 104,789.95  
**TOTAL ACRES SOLD:** 181.4  
**SOLD TRACT NUMBERS:** 1, 3  
**TOTAL NUMBER OF TRACTS SOLD:** 2

**SUMMARY FOR UNSOLD TRACTS**

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	ASH	885.00	Cd	8.58	7,593.30
	PAPER BIRCH	35.00	Cd	13.20	462.00
	WHITE SPRUCE	405.00	Cd	15.62	6,326.10
	BALSAM FIR	110.00	Cd	11.44	1,258.40
	TAMARACK	60.00	Cd	8.85	531.00
PULPWOOD	ASPEN SPECIES	450.00	Cd	17.88	8,046.00
	MAPLE SPECIES	325.00	Cd	11.00	3,575.00
BIOMASS	ANY LISTED SPECIES (optional)	1,200.00	Tons	0.65	780.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	WHITE PINE	75.00	Cd	40.70	3,052.50

**TOTAL UNSOLD TRACTS CONVERTED TO CORDS:** 2,345.00  
**TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS:** \$ 30,844.30  
**TOTAL ACRES UNSOLD:** 95.0  
**UNSOLD TRACT NUMBER:** 2  
**TOTAL NUMBER OF TRACTS UNSOLD:** 1