



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
REGULAR AUCTION - SALE #1
ORAL BID

Notice is hereby given that I offered for sale at public auction in Orr, MN at 9:00 AM on Wednesday, December 1, 2021, timber belonging to the State of Minnesota. All tracts were offered at the Orr Community Center (old legion) in Orr, 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
ORAL BID TIMBER SALE
TOWER AREA

9:00 AM on December 1, 2021
Orr Community Center (old legion) in Orr, 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 December 1, 2022, at the following Area Headquarters: Tower Area.

TRACT B1

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 121.0

Permit Number: B015158
Expiration Date: 05/31/2024

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

NESW,NWNE,SENW,SWNW of Section 27; NESE,NESW,NWSE,SESW,SWSE,SWSW of Section 22 -
Township 62, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 135	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	4,235.00	Cd	16.10	68,183.50	37.84	160,252.40
+ MIXED SPRUCE	PULP & BOLTS	425.00	Cd	15.75	6,693.75	37.01	15,729.25
TAMARACK	PULPWOOD	85.00	Cd	5.10	433.50	5.10	433.50
MIXED HARDWOODS	PULPWOOD	30.00	Cd	8.50	255.00	8.50	255.00
BALSAM FIR	PULPWOOD	25.00	Cd	4.25	106.25	4.25	106.25

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$75,672.00 BID TOTAL = \$ 176,776.40
ADVANCE PAYMENT = \$11,350.80

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

ANY LISTED SPECIES BIOMASS 2,665.00 Tons 0.65 1,732.25

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 2%; Trembling Aspen 98%.
Mixed Hardwoods Pulpwood includes: Paper Birch 10%; Red Maple 90%.
Mixed Spruce Pulp & Bolts includes: Black Spruce 12%; White Spruce 88%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 53%; Pulpwood 47%.

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

Marketing Conditions:

Best access is off of the Lind road on a winter access rd. and snowmobile trail. Prices reduced because of the white spruce under 9" inches you have to work around in the upland sites, also for winter road and working on snowmobile trail. This was failed white spruce plantation so harvest white spruce greater than 9" unless you have to cut white spruce for skid trails or landings.

Price Adjustments:

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

Appraiser:

Terry R. Bergstrom

TRACT B2 COUNTY: ST. LOUIS AREA: TOWER AREA ACRES: 146.9

Permit Number: B015159
Expiration Date: 05/31/2024

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

NESE of Section 34; SENW,SESW,SWNW,SWSW of Section 36;
NENW,NESW,NWSW,SENE,SENW,SESW,SWNE,SWNW of Section 35 - Township 64, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	4,405.00	Cd	20.90	92,064.50	20.90	92,064.50
BALSAM FIR	PULPWOOD	380.00	Cd	5.50	2,090.00	5.50	2,090.00
TAMARACK	PULPWOOD	140.00	Cd	6.60	924.00	6.60	924.00
BLACK SPRUCE	PULPWOOD	110.00	Cd	9.90	1,089.00	9.90	1,089.00
ASH	PULPWOOD	45.00	Cd	6.60	297.00	6.60	297.00
MIXED HARDWOODS	PULPWOOD	30.00	Cd	11.00	330.00	11.00	330.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$96,794.50
ADVANCE PAYMENT = \$14,519.18
BID TOTAL = \$ 96,794.50

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

ANY LISTED SPECIES BIOMASS 2,280.00 Tons 0.65 1,482.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 2%; Trembling Aspen 98%.
Mixed Hardwoods Pulpwood includes: Paper Birch 65%; Red Maple 35%.

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

Marketing Conditions:

Access across state land on Smith Forest Road from the north. Private land access possible from the south.

Price Adjustments:

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

Appraiser:

Andrew J. Broz

TRACT B3 COUNTY: ST. LOUIS AREA: TOWER AREA ACRES: 209.0

Permit Number: B015160
Expiration Date: 05/31/2024

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

NESE,NESW,NWSE,SENE,SESE,SESW,SWNE,SWSE of Section 30; NENE,NWNE of Section 31;
NWSW,SWSW of Section 29 - Township 68, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	5,000.00	Cd	22.08	110,400.00	22.08	110,400.00
ASH	PULP & BOLTS	430.00	Cd	9.36	4,024.80	9.36	4,024.80
MIXED HARDWOODS	PULPWOOD	160.00	Cd	12.00	1,920.00	12.00	1,920.00
BALSAM FIR	PULPWOOD	5.00	Cd	6.00	30.00	6.00	30.00
WHITE SPRUCE	PULP & BOLTS	5.00	Cd	28.08	140.40	28.08	140.40

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$116,515.20
ADVANCE PAYMENT = \$17,477.28
BID TOTAL = \$ 116,515.20

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

ANY LISTED SPECIES BIOMASS 2,400.00 Tons 0.65 1,560.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 20%; Largetooth Aspen 10%; Trembling Aspen 70%.
Mixed Hardwoods Pulpwood includes: Paper Birch 85%; Red Maple 15%.

Mixed Product Description:

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

Season of Operations:

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

Sale Conditions:

- Access crosses Public Waters. A Permit is not required if using a snow / ice bridge.
- Access is across state and industry land.
- Permission to cross industry land must be obtained by permittee.

Marketing Conditions:

Access to this sale is excellent, with an existing minimum maintenance summer road along the northern boundary and the Camp 90 running along the southern boundary, both accessed off of Hwy. 53. Spring and summer hauling may be possible with road improvements.

Price Adjustments:

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

Appraiser:

Timothy D. St Aubin

TRACT B4 COUNTY: ST. LOUIS AREA: TOWER AREA ACRES: 162.9

Permit Number: B015161
Expiration Date: 05/31/2024

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

NENE,SENE of Section 20; SESE of Section 17; NENW,NWNW,SWNW of Section 21; SESW,SWSW of Section 16 - Township 68, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	3,000.00	Cd	23.38	70,140.00	23.38	70,140.00
+ BLACK SPRUCE	PULPWOOD	525.00	Cd	11.25	5,906.25	11.25	5,906.25
TAMARACK	PULPWOOD	500.00	Cd	7.50	3,750.00	7.50	3,750.00
BALSAM FIR	PULPWOOD	460.00	Cd	6.25	2,875.00	6.25	2,875.00
NORTHERN HARDWOODS	PULPWOOD	320.00	Cd	12.50	4,000.00	12.50	4,000.00
ASH	PULPWOOD	230.00	Cd	7.50	1,725.00	7.50	1,725.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$88,396.25
ADVANCE PAYMENT = \$13,259.44
BID TOTAL = \$ 88,396.25

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

ANY LISTED SPECIES BIOMASS 2,400.00 Tons 0.65 1,560.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 10%; Trembling Aspen 90%.
Northern Hardwoods Pulpwood includes: Paper Birch 79%; Red Maple 21%.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Access to sale is 3.25 to 3.5 miles from US Hwy 53 on the Kohler Pit Rd when accessed from near the Gateway General Store.

Approximately 60% of aspen may be summer/dry accessible.

Price Adjustments:

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

Appraiser:

Edward A. Schoon

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

TOWER AREA - ORR FIELD STATION

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 1, 2021

- SUMMARY SHEET -

12/01/2021 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 12/01/2021

TOWER AREA

SUMMARY FOR <u>SOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASH	430.00	Cd	9.36	4,024.80
	WHITE SPRUCE	5.00	Cd	28.08	140.40
	MIXED SPRUCE	425.00	Cd	37.01	15,729.25
PULPWOOD	ASH	275.00	Cd	7.35	2,022.00
	ASPEN SPECIES	16,640.00	Cd	26.01	432,856.90
	NORTHERN HARDWOODS	320.00	Cd	12.50	4,000.00
	BALSAM FIR	870.00	Cd	5.86	5,101.25
	BLACK SPRUCE	635.00	Cd	11.02	6,995.25
	TAMARACK	725.00	Cd	7.04	5,107.50
	MIXED HARDWOODS	220.00	Cd	11.39	2,505.00
BIOMASS	ANY LISTED SPECIES (optional)	9,745.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 20,545.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 377,377.95
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 478,482.35
TOTAL ACRES SOLD: 639.8
TOTAL NUMBER OF TRACTS SOLD: 4