

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

STATUS: COMPLETED INTERMEDIATE AUCTION - SALE #2 ORAL BID

Notice is hereby given that I offered for sale at public auction in Finland, MN at 9:45 AM on Thursday, January 6, 2022, timber belonging to the State of Minnesota. All tracts were offered at the Finland Forestry Station in Finland, 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 DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

INTERMEDIATE AUCTION
ORAL BID TIMBER SALE
TWO HARBORS AREA

9:45 AM on January 6, 2022 Finland Forestry Station in Finland, 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 January 6, 2023, at the following Area Headquarters: Two Harbors 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: LAKE AREA: TWO HARBORS AREA ACRES: 36.2

Permit Number: X018232 Expiration Date: 05/31/2025

Purchased By:
Address:

NENE, NWNE, SENE of Section 32 - Township 55, Range 9W.

	SPECIES	PRODUCT	VOLUME	UNIT	APPRA UNIT PRICE	\$ VALUE	BID: UNIT PRICE	\$ VALUE
+	ASH	PULPWOOD	270.00	Cd	3.90	1,053.00	3.90	1,053.00
+	ASPEN SPECIES	PULPWOOD	130.00	Cd	12.21	1,587.30	12.21	1,587.30
+	NORTHERN HARDWOODS	PULPWOOD	80.00	Cd	6.50	520.00	6.50	520.00
+	WHITE SPRUCE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	60.00	Cd	24.05	1,443.00	24.05	1,443.00
	BALSAM FIR	PULPWOOD	5.00	Cd	3.25	16.25	3.25	16.25
_	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$4,619.55 \$692.93	BID TOTA	L = \$ 4,619.55

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

ANY LISTED SPECIES BIOMASS 350.00 Tons 0.65 227.50

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 7%; Trembling Aspen 93%. Northern Hardwoods Pulpwood includes: Paper Birch 18%; Red Maple 82%.

Mixed Product Description:

White Spruce Woodsrun Sawtimber (Softwood only) includes: Bolts 40%; Pulpwood 20%; Sawtimber (Softwood Only) 40%.

Cutting and Felling:

- Harvest in clearcut area: aspen, spruce, balsam fir, maple, and birch greater than 5" dbh except as noted under Reserves. In RMZ harvest aspen and balsam fir only.

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:

Access from LCR 3 via state/county using the JC Cambell road and snowmobile trail is 3.9 miles with approximately 1/2 mile of new road. Access via the JC Campbell road and private land is 3.7 miles with 1/3 mile of new road. Permission to cross county land has been requested. The purchaser may want to contact landowners to the north for easier access from the Beaver Crossing Road (3 miles).

Base prices have been reduced 35% for winter-only access, low stand density and extensive roading requirement.

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: 0%

Stand Density: -10%

Operational Constraints: -10% Other Price Factor: 0%

Appraiser:

Karen L. Updegraff

COMPLETED - DATA AS OF 01/06/2022

(Appraisal ID 17311-0; Cutting Block ID 20115-0)

TRACT X2 COUNTY: LAKE AREA: TWO HARBORS AREA ACRES: 165.9

Permit Number: X018233 Expiration Date: 05/31/2025

Purchased By:
Address:

NENE, NENW, NESE, NESW, NWNE, NWNW, NWSE, SENE, SENW, SWNE, SWSE of Section 16; NWNW of Section 15 - Township 56, Range 11W.

	econon to territoria	oo,go						
					APPR	RAISED	BID:	
					UNIT		UNIT	
5	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	TREMBLING ASPEN	PULP & BOLTS	1,223.00	Cd	16.15	19,751.45	16.15	19,751.45
+	PAPER BIRCH	PULP & BOLTS	370.00	Cd	9.61	3,555.70	9.61	3,555.70
+	MAPLE SPECIES	PULP & BOLTS	198.00	Cd	9.35	1,851.30	9.35	1,851.30
4	BID SPECIES * SOLD	ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$25,158.45	BID TOTA	L = \$ 25,158.45
			А	DVANCE	PAYMENT =	\$3,773.77		
0	ptional Timber (<i>may t</i>	e purchased with an Added	Timber Agr	eemen	<i>t</i>):			
	BALSAM FIR	PULPWOOD	450.00	Cd	2.13	958.50		
	MIXED SPRUCE	PULP & BOLTS	350.00	Cd	8.42	2.947.00		

852.00 Tons

0.65

553.80

Mixed Species Description:

ANY LISTED SPECIES

Maple Species Pulp & Bolts includes: Red Maple 99%; Sugar Maple 1%. Mixed Spruce Pulp & Bolts includes: Black Spruce 30%; White Spruce 70%.

Mixed Product Description:

Maple Species Pulp & Bolts includes: Bolts 10%; Pulpwood 90%. Mixed Spruce Pulp & Bolts includes: Bolts 60%; Pulpwood 40%. Paper Birch Pulp & Bolts includes: Bolts 13%; Pulpwood 87%. Trembling Aspen Pulp & Bolts includes: Bolts 90%; Pulpwood 10%.

BIOMASS

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access across private.

Sale Conditions:

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

Marketing Conditions:

The sale access is across private land. It is the permit holder's responsibility to obtain permission to cross private lands. There is an access agreement available for the permit holder and private landowner. Please contact the Two Harbors Area office for the Tentmakers Inc. contact information and a draft of the terms and conditions.

The sale is accessed from the Murphy Lake Road. There is an existing combination summer/winter road system in place that accesses sale.

In addition to the other price adjustments, spruce and balsam fir are salvage priced (-50%) due to spruce budworm disease. Approximately 100% infection, low live crown ratios, and >10% mortality. The mixed spruce contains 60% bolts.

All species are reduced -10% operational constraint for upland cover type winter only operability, in addition to the other price adjustments described below.

Price Adjustments:

01/06/2022 INTERMEDIATE AUCTION - SALE #2

Road Construction Costs: 0% Haul Distance to Nearest Mill: +5%

Stand Density: -10%

Operational Constraints: -10% Other Price Factor: 0%

Appraiser:

Trevor Karl Poyhonen

(Appraisal ID 17338-0; Cutting Block ID 20150-0)

TRACT X3 COUNTY: LAKE AREA: TWO HARBORS AREA ACRES: 52.1

Permit Number: X018234 Expiration Date: 05/31/2025

Purchased By:
Address:

NENW,NWNE,NWNW,SENW,SWNE of Section 36 - Township 56, Range 11W.

						AISED	BID:	
SPE	CIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ M	MIXED SPRUCE	PULP & BOLTS	1,381.00	Cd	7.05	9,736.05	7.05	9,736.05
+ A	SPEN SPECIES	PULPWOOD	124.00	Cd	8.21	1,018.04	8.21	1,018.04
+ BID	SPECIES * SOLD (ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$10,754.09 \$1,613.11	BID TOTA	L = \$ 10,754.09
Optio	onal Timber (<i>may b</i> o	e purchased with an Added	Timber Agr	eement)	:			
Α	NY LISTED SPECIES	BIOMASS	589.00	Tons	0.65	382.85		

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 25%; Trembling Aspen 75%. Mixed Spruce Pulp & Bolts includes: Black Spruce 5%; White Spruce 95%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 37%; Pulpwood 63%.

Cutting and Felling:

- Harvest all trees larger than 5" DBH of spruce and aspen species.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Salvage pricing due to spruce bud worm infestation. Near 100% infection of white spruce, low live crown ratio, >10% mortality

Best access is off of Clark Lake Road, 20 miles north of Two harbors on HWY 2

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: -10%

Stand Density: +5%

Operational Constraints: 0%

Other Price Factor: -50% (Salvage- insect/disease)

Appraiser:

Joe Johnson

(Appraisal ID 17333-0; Cutting Block ID 20132-0)

TRACT X4 COUNTY: LAKE AREA: TWO HARBORS AREA ACRES: 22.2

Permit Number: X018235 Expiration Date: 05/31/2025

Purchased By:
Address:

GL01, NENW, NWNE of Section 30; GL04, SESW of Section 19 - Township 57, Range 8W.

SPECIES	PRODUCT	VOLUME	<u>UNIT</u>	APPR UNIT PRICE	\$ VALUE	BID: UNIT PRICE	\$ VALUE
+ MIXED SPRUCE	PULP & BOLTS	170.00	Cd	4.86	826.20	4.86	826.20
BALSAM FIR	PULPWOOD	30.00	Cd	2.25	67.50	2.25	67.50
+ BID SPECIES * SOLD OF	N APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$893.70 \$134.06	BID TOTA	L = \$ 893.70
Optional Timber (may be	purchased with an Added	Timber Agr	eement)	:			
ANY LISTED SPECIES	BIOMASS	110.00	Tons	0.65	71.50		

Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 40%; White Spruce 60%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Cutting and Felling:

- Harvest spruce and balsam fir. In row thinning unit, establish cut/skid rows with an approximate width of 20ft and leave rows of 40ft. Only harvest in cut rows. Target basal area of post-harvest stand is ~80-90 ft2/ac. In clearcut area harvest all spruce and balsam fir.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Row thinning is in 38 year old spruce planation.

Clearcut is upland Black spruce stand. 4 stick average, 10" DBH, 40% bolts.

Access is off of JC Campbell Rd, 0.3 miles from Beaver River Road. ~1 mile of road will need to be reopened including both the JC Campbell Rd and Moose Walk Trail.

Dry summer chance on both cutting units.

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: -15%

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -25% (First thinning)

Appraiser:

Joe Johnson

TRACT X5 COUNTY: LAKE AREA: TWO HARBORS AREA ACRES: 100.5

Permit Number: X018236 Expiration Date: 05/31/2024

Purchased By:
Address:

GL01,GL02,GL07,GL08,SENE of Section 36 - Township 58, Range 11W.

GL02 of Section 6 - Township 57, Range 10W. SWSE of Section 31 - Township 58, Range 10W.

9	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	BID: UNIT PRICE	\$ VALUE
+	MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	780.00	Cd	2.11	1,645.80	2.11	1,645.80
+	PAPER BIRCH	PULPWOOD	630.00	Cd	1.50	945.00	1.50	945.00
+	ASPEN SPECIES	PULPWOOD	315.00	Cd	2.55	803.25	2.55	803.25
	NORWAY PINE	PULP & BOLTS	40.00	Cd	3.03	121.20	3.03	121.20
1	► BID SPECIES * S	SOLD ON APPRAISED VOLUME			ISED TOTAL = E PAYMENT =	\$3,515.25 \$527.29	BID TOTA	AL = \$ 3,515.25

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

BALSAM FIR	PULPWOOD	765.00 Cd	1.20	918.00
ANY LISTED SPECIES	BIOMASS	1,375.00 Tons	0.65	893.75

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 1%; Trembling Aspen 99%.

Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 40%; White Spruce 60%.

Mixed Product Description:

Mixed Spruce Woodsrun Mixed Products includes: Bolts 25%; Pulpwood 65%; Sawtimber (Softwood Only) 10%.

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

Season of Operations:

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

Landings, Roads, and Trails:

- This sale may require new access across USFS lands. A Special Use permit for the identified route has been obtained by the DNR. Provisions of this permit will become part of the terms and conditions for this sale (Cutting Block 1).

Sale Conditions:

- Access is across USFS and state land (Cutting Block 1).
- The sale will expire 5/31/2024 due to spruce budworm damage (Cutting Blocks 1 and 2).

Marketing Conditions:

Sale is located 31 miles North of Two Harbors on Hwy 2. West side of Hwy 2 has an existing entrance onto road, East side has none and a county right of way crossing permit would be needed for a temporary or permanent approach. Old logging road has an elevated roadbed in low areas that may need to be built up, it also will need to be brushed and cleared of some merchantable timber.

Spruce budworm has caused a significant decline of balsam fir and white spruce (100% affected, 20% mortality as of 9/23/2020), prices reduced -50% and sale expiration adjusted.

-10% operational constraint due to season of operations limitation of dry/ snow free.

Sale is a reoffer, -15% applied.

Most of the spruce sawtimber is in CB1 and spruce bolts are scattered throughout.

Both CB's were designed to offer a summer chance harvest.

There is an adjacent state timber sale.

Price Adjustments:

Road Construction Costs: +5% Haul Distance to Nearest Mill: -15%

Stand Density: 0%

Operational Constraints: -10%

Other Price Factor: -65% (budworm damage, and reoffer)

Appraiser:

Brian Patrick Schiller

(Appraisal ID 16385-0; Cutting Block ID 18866-0, 19043-0)

TRACT X6 COUNTY: COOK AREA: TWO HARBORS AREA ACRES: 28.3

Permit Number: X018237 Expiration Date: 05/31/2025

Purchased By:
Address:

NESW,NWSE,NWSW,SWSW of Section 17 - Township 58, Range 5W.

	0050150	PROPULET	VOLUME	LINUT	UNIT	AISED	BID:	
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	PAPER BIRCH	PULP & BOLTS	240.00	Cd	2.40	576.00	2.40	576.00
_	+ BID SPECIES	* SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$576.00 \$86.40	BID TO	TAL = \$ 576.00
C	Optional Timber	(may be purchased with an Added	Timber Agr	eement	t):			
	ANY LISTED SP	ECIES BIOMASS	80.00	Tons	0.65	52.00		

Mixed Product Description:

Paper Birch Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.

Cutting and Felling:

- Harvest paper birch.

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:

Site is located 2 miles north of Highway 61 on Sugar Loaf Road. existing .25 mile woodroad needs brushing and likely spot graveling to make possible summer chance and an additional 500 feet of new road needs to be built.

In summer of 2020, 50% of birch is affected with decline and 10% mortality is observed.

Price Adjustments:

Road Construction Costs: -10% Haul Distance to Nearest Mill: -10%

Stand Density: -10%

Operational Constraints: 0%

Other Price Factor: -50% (Birch Decline Salvage)

Appraiser:

Jason A. Bushmaker

(Appraisal ID 16680-0; Cutting Block ID 19468-0)

TRACT X7 COUNTY: LAKE AREA: TWO HARBORS AREA ACRES: 38.0

Permit Number: X018238 Expiration Date: 05/31/2025

Purchased By:
Address:

NENW,NWNW,SWNW of Section 36; NENE of Section 35 - Township 58, Range 9W.

SPECIES	PRODUCT	VOLUME	UNIT	APPR UNIT PRICE	\$ VALUE	BID: UNIT PRICE	\$ VALUE
+ BALSAM FIR	PULP & BOLTS	250.00	Cd	1.26	315.00	1.26	315.00
+ MIXED SPRUCE	PULP & BOLTS	100.00	Cd	1.89	189.00	1.89	189.00
+ BID SPECIES * SOLD (ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$504.00 \$75.60	BID TOT	AL = \$ 504.00
Optional Timber (may be	e purchased with an Added	Timber Agr	eement)	:			
ANY LISTED SPECIES	BIOMASS	60.00	Tons	0.65	39.00		

Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 20%; White Spruce 80%.

Mixed Product Description:

Balsam Fir Pulp & Bolts includes: Bolts 20%; Pulpwood 80%. Mixed Spruce Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.

Cutting and Felling:

- Harvest balsam fir. Establish cut/skid rows with an approximate width of 20ft. and leave 40 ft. In leave rows harvest 1 in 4 spruce on average, spaced approximately 15X15 ft., favor the removal of poor form and low live crown ratio individuals. Target basal area post-harvest in ~140-150ft2/ac.

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:

Site is located .3 miles north of the Heffelfinger Road, 10 miles west of Finland.

-50% price discount for budworm damage salvage winter only access. Greater than 25% of balsam impacted. Based on stand visit summer of 2021.

Road Access is on existing skid trail, work need to upgrade skid trail to haul road. Work includes but not limited to brushing, stump removal, and freezing down to water crossings.

Price Adjustments:

Road Construction Costs: -10% Haul Distance to Nearest Mill: -15%

Stand Density: -10%

Operational Constraints: 0% Other Price Factor: -50% (Salvage)

Appraiser:

Jason A. Bushmaker

TRACT X8 COUNTY: LAKE AREA: TWO HARBORS AREA ACRES: 51.9

Permit Number: X018239 Expiration Date: 05/31/2025

Purchased By:
Address:

GL04,GL05,GL06,GL11 of Section 36 - Township 58, Range 11W.

	SPECIES	PRODUCT	VOLUME	UNIT	APPR. UNIT PRICE	\$ VALUE	BID: UNIT PRICE \$	VALUE
+	MIXED SPRUCE	PULP & BOLTS	400.00	Cd	1.89	756.00	1.89	756.00
+	PAPER BIRCH	PULPWOOD	160.00	Cd	1.50	240.00	1.50	240.00
	BALSAM FIR	PULPWOOD	150.00	Cd	0.75	112.50	0.75	112.50
	TREMBLING ASPEN	PULPWOOD	5.00	Cd	2.85	14.25	2.85	14.25
_	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$1,122.75 \$168.41	BID TOTAL =	\$ 1,122.75
C	Optional Timber (<i>may b</i>	e purchased with an Added	Timber Agr	eement) :			
	MIXED SPRUCE	WOODSRUN CORDWOOD	20.00	Cd	1.89	37.80		

15.00 Cd

260.00 Tons

0.90

0.65

13.50

169.00

Mixed Species Description:

ANY LISTED SPECIES

Mixed Spruce Pulp & Bolts includes: Black Spruce 73%; White Spruce 27%.

PULPWOOD

BIOMASS

Mixed Spruce Woodsrun Cordwood includes: Black Spruce 60%; White Spruce 40%.

Mixed Product Description:

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

Cutting and Felling:

WHITE CEDAR

- Harvest spruce larger than 8" dbh, balsam fir, birch and aspen larger than 1 stick.
- If harvesting optional spruce or cedar, harvest trees 1 stick or larger and under 8" dbh (spruce) or over 6"dbh (cedar).

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, private and USFS land.
- Permission to cross private land must be obtained by permittee.
- This sale may require new access across USFS lands. A Special Use permit for the identified route has been obtained by the DNR. Provisions of this permit will become part of the terms and conditions for this sale.

Marketing Conditions:

Sale is accessed from the end of the Upland Trail forest road.

Approximately 11/2 miles of upland road brushing and reconstruction.

Salvage: most of BF and WS have been affected by SBW outbreak; at least 10% of standing BF volume was dead as of February 2020.

At least 90% of stand is potentially summer-operable if dry.

Possibility of additional timber on Nature Conservancy land.

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: -10%

Stand Density: -10%

Operational Constraints: 0%

01/06/2022 INTERMEDIATE AUCTION - SALE #2

Other Price Factor: -50% (Salvage)

Appraiser:

Karen L. Updegraff

(Appraisal ID 16591-0; Cutting Block ID 19386-0)

TRACT X9 COUNTY: COOK AREA: TWO HARBORS AREA ACRES: 118.2

Permit Number: X018240 Expiration Date: 05/31/2025

Purchased By:
Address:

NWSW of Section 11; NESE of Section 10 - Township 62, Range 1W.

NENW, NESW, NWNE, NWNW, NWSW, SENW, SWNE, SWNW of Section 10; SENE of Section 9 - Township 62,

Range 1W.

					APPR	AISED	BID:	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
4	BLACK SPRUCE	PULPWOOD	1,177.00	Cd	2.70	3,177.90	2.70	3,177.90
4	- TAMARACK	PULPWOOD	348.00	Cd	1.80	626.40	1.80	626.40
4	- ASPEN SPECIES	PULPWOOD	80.00	Cd	5.61	448.80	5.61	448.80
_	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$4,253.10 \$637.97	BID TOTA	L = \$ 4,253.10

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

ANY LISTED SPECIES BIOMASS 1,205.00 Tons 0.65 783.25

Mixed Species Description:

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

Cutting and Felling:

- Fell all live black spruce equal to or greater than 5 feet tall (Cutting Blocks 1 and 2).

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Access for Block 1 is 0.15 miles across state land from the Ball Club Road (CC 27). Access for Block 2 is right off of the Ball Club Road (CC27).

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0%

Stand Density: -5%

Operational Constraints: 0%

Other Price Factor: -65% (Cook County discount)

Appraiser:

Justin Owen Rexrode

(Appraisal ID 16766-0; Cutting Block ID 19387-0, 19438-0)

TRACT X10 COUNTY: COOK AREA: TWO HARBORS AREA ACRES: 145.3

Permit Number: X018241 Expiration Date: 05/31/2025

Purchased By: Peter Hall

Address: 280 Hall Rd, Lutsen, MN 55612

NESE, SENE, SESE of Section 15; SWNW of Section 14 - Township 63, Range 1E.

GL02 of Section 3; GL04,SWNW of Section 2 - Township 63, Range 1E.

SESE, SWSE of Section 1 - Township 63, Range 1E.

SENE, SWNE of Section 3; NESE, NWSE, SENW, SWNE, SWNW of Section 2 - Township 63, Range 1E.

PRODUCT SPEN PULP & BOLTS		UNIT	APPR UNIT PRICE	AISED -	BID %: UNIT PRICE \$	
SPEN PULP & BOLTS				\$ VALUE		.,,,,,
SPEN PULP & BOLTS			PRICE	\$ VALUE	DDICE ¢	
	910.00				FIXICE 9	VALUE
		Cd	0.95	864.50	0.95	864.50
E PULPWOOD	660.00	Cd	0.45	297.00	0.45	297.00
PULP & BOLTS	595.00	Cd	0.68	404.60	0.68	404.60
PULPWOOD	200.00	Cd	0.50	100.00	0.50	100.00
PULP & BOLTS	50.00	Cd	0.90	45.00	0.90	45.00
PULPWOOD	10.00	Cd	0.30	3.00	0.30	3.00
* SOLD ON APPRAISED VOLUME	A	APPRAISE	ED TOTAL =	\$1,714.10	BID TOTAL =	\$ 1,714.10
	AD	VANCE F	PAYMENT =	\$257.12		
	* SOLD ON APPRAISED VOLUME	A	APPRAISE	* SOLD ON APPRAISED VOLUME APPRAISED TOTAL = ADVANCE PAYMENT =	APPRAISED TOTAL = \$1,714.10	APPRAISED TOTAL = \$1,714.10 BID TOTAL =

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

BALSAM FIR PULPWOOD 110.00 Cd 0.25 27.50
ANY LISTED SPECIES BIOMASS 1,215.00 Tons 0.65 789.75

Mixed Species Description:

Mixed Spruce Pulpwood includes: Black Spruce 79%; White Spruce 21%.

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 38%; Pulpwood 62%. Norway Pine Pulp & Bolts includes: Bolts 40%; Pulpwood 60%. Trembling Aspen Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

Cutting and Felling:

- Harvest Aspen, Jack Pine, and Spruce in clear-cut blocks. Thinning block-harvest spruce as logger select thinning to reduce spacing to an average of 15'x15' (Cutting Block 1).
- Harvest aspen, jack pine, spruce, and red pine (Cutting Block 2).
- Harvest aspen, spruce, birch, tamarack, and jack pine (Cutting Block 4).
- Harvest aspen, spruce, jack pine, birch (Cutting Block 3).

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State (Cutting Blocks 1 and 3).
- Conduct sale operations on frozen soil conditions only, except with written permission from State (Cutting Blocks 2 and 4).

Sale Conditions:

- Access is across State land (Cutting Blocks 1, 2, 3, and 4).

Marketing Conditions:

Steep rocky terrain on blocks 3 and 4. USFS road use permits to be obtained by permittee will be required. Winter access on the Old Greenwood Road includes approx. 1/2 mile of snowmobile trail. Optional balsam fir on blocks 1, 2, 3, 4.

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: 0%

01/06/2022 INTERMEDIATE AUCTION - SALE #2

Stand Density: -5%

Operational Constraints: -10%

Other Price Factor: -65% (Cook County Discount)

Appraiser:

Aaron J. Mielke

(Appraisal ID 17332-0; Cutting Block ID 20143-0, 20146-0, 20151-0, 20148-0)

TRACT X11 COUNTY: COOK AREA: TWO HARBORS AREA ACRES: 99.0

Permit Number: X018242 Expiration Date: 05/31/2025

Purchased By:
Address:

NESW, NWSE, SENW, SESW, SWNE of Section 24 - Township 64, Range 1W.

NENE, NWNE of Section 36 - Township 64, Range 1W.

SENE of Section 25 - Township 64, Range 1W.

					APPRAISED		BID:	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	PULPWOOD	510.00	Cd	1.90	969.00	1.90	969.00
+	MIXED SPRUCE	PULP & BOLTS	241.00	Cd	1.10	265.10	1.10	265.10
+	PAPER BIRCH	PULP & BOLTS	105.00	Cd	1.05	110.25	1.05	110.25
	JACK PINE	PULP & BOLTS	37.00	Cd	0.80	29.60	0.80	29.60
	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$1,373.95 \$206.09	BID TOTA	AL = \$ 1,373.95

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

BALSAM FIR	PULPWOOD	116.00 Cd	0.50	58.00	
ANY LISTED SPECIES	BIOMASS	509.00 Tons	0.65	330.85	

Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 66%; White Spruce 34%.

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 10%; Pulpwood 90%. Mixed Spruce Pulp & Bolts includes: Bolts 11%; Pulpwood 89%. Paper Birch Pulp & Bolts includes: Bolts 5%; Pulpwood 95%.

Cutting and Felling:

- Harvest aspen and spruce (Cutting Block 2).
- Harvest aspen, spruce, and paper birch (Cutting Block 3).
- Harvest aspen, spruce, paper birch, and jack pine (Cutting Block 1).
- Multiple cutting block sale, see individual cutting blocks for specifications (Cutting Blocks 1, 2, and 3).
- Reserve all white pine, red pine, cedar, and 3-4 mature aspen/birch directly adjacent to residual white pine, and patches of advanced regeneration (Cutting Block 2).
- Reserve patches of advanced regeneration (Cutting Blocks 1 and 3).

Season of Operations:

- No weekend hauling on snowmobile trail allowed between December 1 and March 31, without written permission from State (Cutting Block 1).
- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State (Cutting Blocks 1, 2, and 3).

Sale Conditions:

- Access crosses Public Waters. A Permit is not required if using a snow / ice bridge (Cutting Block 1).
- Access is across USFS land (Cutting Blocks 1, 2, and 3).
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale (Cutting Blocks 1, 2, and 3).

Marketing Conditions:

USFS access permit is applied for. A road haul permit will need to be obtained by the purchaser.

The preferred harvest season for block 1 is dry summer due to access on the snowmobile trail. This will entail a public waters crossing to be obtained by permittee.

Optional balsam fir is available as added timber in cutting blocks 1 and 2.

Price Adjustments:

Road Construction Costs: -10% Haul Distance to Nearest Mill: 0%

Stand Density: -5%

Operational Constraints: -10%

Other Price Factor: -65% (Cook County)

Appraiser:

Scott William Dowling

(Appraisal ID 17310-0; Cutting Block ID 20123-0, 20124-0, 20122-0)

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

TWO HARBORS 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: January 6, 2022

TWO HARBORS AREA

SUMMARY FOR <u>SOLD</u> TRACTS									
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE				
PULP & BOLTS	TREMBLING ASPEN	910.00	Cd	0.95	864.50				
	NORWAY PINE	50.00	Cd	0.90	45.00				
	JACK PINE	595.00	Cd	0.68	404.60				
PULPWOOD	PAPER BIRCH	200.00	Cd	0.50	100.00				
	BALSAM FIR (optional)	110.00	Cd	-	0.00				
	TAMARACK	10.00	Cd	0.30	3.00				
	MIXED SPRUCE	660.00	Cd	0.45	297.00				
BIOMASS	ANY LISTED SPECIES (optional)	1,215.00	Tons	-	0.00				

TOTAL SOLD TRACTS CONVERTED TO CORDS: 2,535.00

TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$1,714.10

TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$1,714.10

TOTAL ACRES SOLD: 145.3

SOLD TRACT NUMBER: 10

TOTAL NUMBER OF TRACTS SOLD: 1

SUMMARY FOR <u>UNSOLD</u> TRACTS							
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE		
PULP & BOLTS	TREMBLING ASPEN	1,223.00	Cd	16.15	19,751.45		
	PAPER BIRCH	715.00	Cd	5.93	4,241.95		
	MAPLE SPECIES	198.00	Cd	9.35	1,851.30		
	NORWAY PINE	40.00	Cd	3.03	121.20		
	JACK PINE	37.00	Cd	0.80	29.60		
	BALSAM FIR	250.00	Cd	1.26	315.00		
	MIXED SPRUCE (optional)	350.00	Cd	8.42	2,947.00		
	MIXED SPRUCE	2,292.00	Cd	5.14	11,772.35		
WOODSRUN MIXED PRODUCTS	MIXED SPRUCE	780.00	Cd	2.11	1,645.80		
WOODSRUN CORDWOOD	MIXED SPRUCE (optional)	20.00	Cd	1.89	37.80		
PULPWOOD	ASH	270.00	Cd	3.90	1,053.00		
	ASPEN SPECIES	649.00	Cd	5.94	3,857.39		
	TREMBLING ASPEN	515.00	Cd	1.91	983.25		
	PAPER BIRCH	790.00	Cd	1.50	1,185.00		
	NORTHERN HARDWOODS	80.00	Cd	6.50	520.00		
	BALSAM FIR (optional)	1,331.00	Cd	1.45	1,934.50		
	BALSAM FIR	185.00	Cd	1.06	196.25		
	BLACK SPRUCE	1,177.00	Cd	2.70	3,177.90		
	TAMARACK	348.00	Cd	1.80	626.40		
	WHITE CEDAR (optional)	15.00	Cd	0.90	13.50		
BIOMASS	ANY LISTED SPECIES (optional)	5,390.00	Tons	0.65	3,503.50		
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	WHITE SPRUCE	60.00	Cd	24.05	1,443.00		

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 11,325.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$52,770.84
TOTAL ACRES UNSOLD: 712.3

UNSOLD TRACT NUMBERS: 1, 2, 3, 4, 5, 6, 7, 8, 9, 11

TOTAL NUMBER OF TRACTS UNSOLD: 10