

# MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

# STATUS: COMPLETED INTERMEDIATE AUCTION - SALE #2 ORAL BID

Notice is hereby given that I offered for sale at public auction in Baudette, MN at 9:30 AM on Wednesday, May 18, 2022, timber belonging to the State of Minnesota. All tracts were offered at the Baudette Forestry in Baudette, 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
BAUDETTE AREA

## 9:30 AM on May 18, 2022 Baudette Forestry in Baudette, 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 May 18, 2023, at the following Area Headquarters: Baudette 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: KOOCHICHING AREA: BAUDETTE AREA ACRES: 51.8

Permit Number: X018390 Expiration Date: 05/31/2025

Purchased By: Whitefish Creek Ent. Inc.

Address: 1393 County Road 4, Baudette, MN 56623

GL04 of Section 18; NENE, NWNE of Section 20; SWSW of Section 16;

NESW, NWSW, SESE, SESW, SWNE, SWSW of Section 17 - Township 159, Range 27W.

THEORY, THEORY, DECEMBER OF COORDINATE TOWNSHIP TOO, TRAINING ET W.								
				APPF	RAISED	BID %: 0		
				UNIT		UNIT		
SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE	
+ ASPEN SPECIES	PULP & BOLTS	900.00	Cd	16.56	14,904.00	16.56	14,904.00	
+ MIXED SPRUCE	PULP & BOLTS	300.00	Cd	11.70	3,510.00	11.70	3,510.00	
+ ASH	PULP & BOLTS	275.00	Cd	7.83	2,153.25	7.83	2,153.25	
PAPER BIRCH	PULPWOOD	70.00	Cd	9.00	630.00	9.00	630.00	
+ BID SPECIES * SOL	D ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$21,197.25 \$3,179.59	BID TOTAI	L = \$ 21,197.25	
Optional Timber (may be purchased with an Added Timber Agreement):								
BALSAM FIR	PULPWOOD	130.00	Cd	4.50	585.00			
WHITE CEDAR	PULPWOOD	50.00	Cd	5.40	270.00			
TAMARACK	FUELWOOD	10.00	Cd	2.50	25.00			
ANY LISTED SPECIES	BIOMASS	825.00	Tons	0.65	536.25			

## **Mixed Species Description:**

Aspen Species Pulp & Bolts includes: Balm of Gilead 20%; Trembling Aspen 80%. Mixed Spruce Pulp & Bolts includes: Black Spruce 80%; White Spruce 20%.

# **Mixed Product Description:**

Ash Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

Aspen Species Pulp & Bolts includes: Bolts 65%; Pulpwood 35%. Mixed Spruce Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

#### **Season of Operations:**

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

#### **Sale Conditions:**

- Access is across state land.

# **Marketing Conditions:**

Haul Distance to nearby cities (rounded up to the nearest mile):

International Falls, MN: 49 miles Grand Rapids, MN: 146 miles Barwick, Ontario: 58 miles Littlefork, MN: 46 miles

## **Price Adjustments:**

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

Stand Density: +5%

Operational Constraints: -10%

Other Price Factor: 0%

### Appraiser:

Ethan Erdmann

#### 05/18/2022 INTERMEDIATE AUCTION - SALE #2

TRACT X2 COUNTY: LAKE OF THE WOODS AREA: BAUDETTE AREA ACRES: 39.2

Permit Number: X018391 Expiration Date: 05/31/2025

Purchased By: Ferrier Logging Inc.

Address: 585 County RD 6 SW, Baudette, MN 56613

NWSW of Section 29; GL03, NESE, NESW, NWSE, SESE of Section 30 - Township 159, Range 32W.

NESE of Section 25 - Township 159, Range 33W.

				APPR	AISED	AISED BID %: 0		
SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE	
+ TREMBLING ASPEN	PULP & BOLTS	1,300.00	Cd	19.00	24,700.00	19.00	24,700.00	
+ BID SPECIES * SOLD	ON APPRAISED VOLUME	A		ED TOTAL = PAYMENT =	\$24,700.00 \$3,705.00	BID TOTA	AL = \$ 24,700.00	
Optional Timber (may be purchased with an Added Timber Agreement):								
ANY LISTED SPECIES	BIOMASS	890.00	Tons	0.65	578.50			

## **Mixed Product Description:**

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

## **Marketing Conditions:**

Sale is located approximately 2 miles west of the Pitt Grade forest road and north of the Stoney Corners.

Powerline can not be used as a landing.

## **Price Adjustments:**

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

# Appraiser:

Nicholas P. Abel

(Appraisal ID 16449-0; Cutting Block ID 19206-0)

TRACT X3 COUNTY: LAKE OF THE WOODS AREA: BAUDETTE AREA ACRES: 66.9

Permit Number: X018392 Expiration Date: 05/31/2025

Purchased By: Erickson Herefords

Address: 10048 Highway 11, Birchdale, MN 56623

NESW,SESW,SWSW of Section 24 - Township 159, Range 35W. NWNE,SENE,SWNE of Section 30 - Township 159, Range 34W.

						APPRAISED		BID %: 0	
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE	
+	NORWAY PINE	PULP & BOLTS	562.00	Cd	20.75	11,661.50	20.75	11,661.50	
+	JACK PINE	PULP & BOLTS	281.00	Cd	7.64	2,146.84	7.64	2,146.84	
	TREMBLING ASPEN	PULPWOOD	30.00	Cd	17.29	518.70	17.29	518.70	
	BALSAM FIR	PULPWOOD	14.00	Cd	4.55	63.70	4.55	63.70	
	PAPER BIRCH	PULPWOOD	4.00	Cd	9.10	36.40	9.10	36.40	
+	BID SPECIES * SOL	D ON APPRAISED VOLUME		APPRAI	SED TOTAL =	\$14,427.14	BID TOTA	L = \$ 14,427.14	
			А	DVANCE	E PAYMENT =	\$2,164.07			

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

ANY LISTED SPECIES BIOMASS 432.00 Tons 0.65 280.80

### **Mixed Product Description:**

Jack Pine Pulp & Bolts includes: Bolts 12%; Pulpwood 88%. Norway Pine Pulp & Bolts includes: Bolts 56%; Pulpwood 44%.

#### **Cutting and Felling:**

- Full tree skidding or site to be harvested in such a method to attain a minimum of 70% scarification (Cutting Block 1).
- Full tree skidding or site to be harvested in such a method to attain a minimum of 70% scarification in the pine thinning areas (Cutting Block 2).

#### **Season of Operations:**

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

## Slash Disposal:

- Tightly pile slash on landings as designated by TSA. Piles should be free of dirt, stumps, root wads, and prohibited materials. Piles should be placed a minimum of 75 feet away from standing timber (Cutting Block 1).
- Tightly pile slash on landings as designated by TSA. Piles should be free of dirt, stumps, root wads, and prohibited materials. Piles should be placed a minimum of 75 feet, in the pine areas only, away from standing timber (Cutting Block 2).

## **Sale Conditions:**

- Access is across state land (Cutting Blocks 1 and 2).
- This permit contains lands in a Wildlife Management Area (WMA) (Cutting Blocks 1 and 2).

#### **Marketing Conditions:**

Sale is located about 7 miles west of the Faunce Rangeline just off the Hogsback forest road along existing trails.

Approximately 100 miles to l'Falls. 110 miles to Bemidji.

## **Price Adjustments:**

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

Stand Density: 0%

Operational Constraints: 0%

# 05/18/2022 INTERMEDIATE AUCTION - SALE #2

Other Price Factor: -4% (first thinning discount)

Appraiser:

Kevin G. Dorow

(Appraisal ID 17745-0; Cutting Block ID 20651-0, 19648-0)

**TRACT X4 COUNTY: LAKE OF THE WOODS AREA: BAUDETTE AREA ACRES: 71.2** 

Permit Number: X018393 Expiration Date: 05/31/2025

Purchased By: Big Bear Farms

Address: 1471 33 Ave SE, Baudette, MN 56623-2416

NENE, SENE, SWNE of Section 32; NESW, NWSE, NWSW, SESW, SWSE of Section 28; NENW, NWNW, SWNW

of Section 33 - Township 160, Range 35W.

				APPRAISED		BID %: 5		
SI	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	JACK PINE	PULP & BOLTS	600.00	Cd	4.50	2,700.00	4.73	2,838.00
+	TREMBLING ASPEN	PULPWOOD	330.00	Cd	17.10	5,643.00	17.96	5,926.80
	PAPER BIRCH	PULPWOOD	64.00	Cd	9.00	576.00	9.00	576.00
	BALSAM FIR	PULPWOOD	54.00	Cd	4.50	243.00	4.50	243.00
	MIXED SPRUCE	PULP & BOLTS	10.00	Cd	11.70	117.00	11.70	117.00
+	BID SPECIES * SOL	D ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$9,279.00	BID TOTA	L = \$ 9,700.80
			А	DVANCE	PAYMENT =	\$1,391.85		

#### optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES 0.65 445.90 **BIOMASS** 686.00 Tons

## **Mixed Species Description:**

Mixed Spruce Pulp & Bolts includes: Black Spruce 99%; White Spruce 1%.

## **Mixed Product Description:**

Jack Pine Pulp & Bolts includes: Bolts 17%; Pulpwood 83%. Mixed Spruce Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

#### **Cutting and Felling:**

- The dead jack pine value is reflected in the appraised price.

## **Season of Operations:**

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

## Sale Conditions:

- Access is across state land.

## **Marketing Conditions:**

Sale is located 1.5 miles north of the Faunce/Butterfield road at Browns Creek.

This s a salvage of jack pine that resulted from a hail storm in 2012. At the time of cruising (04/06/22)67% of the jack pine volume was standing dead. Sale specs require that all be utilized. Price accounts for volume of fuelwood.

104 miles to I' Falls, 101 to Bemidji

## **Price Adjustments:**

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

### Appraiser:

Kevin G. Dorow

TRACT X5 COUNTY: LAKE OF THE WOODS AREA: BAUDETTE AREA ACRES: 56.2

Permit Number: X018394 Expiration Date: 05/31/2025

Purchased By: Kevin Fish

Address: 1513 76th Ave NW, Williams, MN 56686

GL01, NENW of Section 19; GL03, GL04, NESW, SESW of Section 18 - Township 161, Range 34W.

					APPF	RAISED	BID	%: 70
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	ASPEN SPECIES	PULP & BOLTS	275.00	Cd	17.07	4,694.25	29.02	7,980.50
+	NORWAY PINE	PULP & BOLTS	270.00	Cd	25.65	6,925.50	43.61	11,774.70
+	PAPER BIRCH	PULPWOOD	100.00	Cd	9.00	900.00	15.30	1,530.00
	JACK PINE	PULP & BOLTS	65.00	Cd	8.10	526.50	8.10	526.50
	TAMARACK	FUELWOOD	25.00	Cd	2.50	62.50	2.50	62.50
	MIXED SPRUCE	PULPWOOD	20.00	Cd	6.30	126.00	6.30	126.00
	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			ISED TOTAL = E PAYMENT =	\$13,234.75 \$1,985.21	BID TOTA	L = \$ 22,000.20

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

ANY LISTED SPECIES BIOMASS 255.00 Tons 0.65 165.75

### **Mixed Species Description:**

Aspen Species Pulp & Bolts includes: Balm of Gilead 1%; Trembling Aspen 99%. Mixed Spruce Pulpwood includes: Black Spruce 99%; White Spruce 1%.

## **Mixed Product Description:**

Aspen Species Pulp & Bolts includes: Bolts 15%; Pulpwood 85%. Jack Pine Pulp & Bolts includes: Bolts 15%; Pulpwood 85%. Norway Pine Pulp & Bolts includes: Bolts 75%; Pulpwood 25%.

#### **Season of Operations:**

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

#### Sale Conditions:

- Access is across state land.

#### **Marketing Conditions:**

Sale is located 5 miles south and west of Roosevelt just off the Norris Roosevelt forest road. Existing access into much of the sale area.

100 miles to l'Falls 120 miles to Bemidji

# **Price Adjustments:**

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

## Appraiser:

Becky J. Lein

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

## **BAUDETTE 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 18, 2022

#### **BAUDETTE AREA**

SUMMARY FOR SOLD TRACTS								
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE			
PULP & BOLTS	ASH	275.00	Cd	7.83	2,153.25			
	ASPEN SPECIES	1,175.00	Cd	19.48	22,884.50			
	TREMBLING ASPEN	1,300.00	Cd	19.00	24,700.00			
	NORWAY PINE	832.00	Cd	28.17	23,436.20			
	JACK PINE	946.00	Cd	5.83	5,511.34			
	MIXED SPRUCE	310.00	Cd	11.70	3,627.00			
PULPWOOD	TREMBLING ASPEN	360.00	Cd	17.90	6,445.50			
	PAPER BIRCH	238.00	Cd	11.65	2,772.40			
	BALSAM FIR (optional)	130.00	Cd	-	0.00			
	BALSAM FIR	68.00	Cd	4.51	306.70			
	WHITE CEDAR (optional)	50.00	Cd	-	0.00			
	MIXED SPRUCE	20.00	Cd	6.30	126.00			
FUELWOOD	TAMARACK	25.00	Cd	2.50	62.50			
	TAMARACK (optional)	10.00	Cd	-	0.00			
BIOMASS	ANY LISTED SPECIES (optional)	3,088.00	Tons	-	0.00			

**TOTAL SOLD TRACTS CONVERTED TO CORDS:** 5,739.00 TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$82,838.14 TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 92,025.39 TOTAL ACRES SOLD: 285.3

**TOTAL NUMBER OF TRACTS SOLD:** 5