



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
ORAL BID

Notice is hereby given that I offered for sale at public auction in Hibbing, MN at 9:00 AM on Tuesday, November 29, 2022, timber belonging to the State of Minnesota. All tracts were offered at the Hibbing Area Office 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
ORAL BID TIMBER SALE
HIBBING AREA

9:00 AM on November 29, 2022
Hibbing Area Office 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. 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 November 29, 2023, at the following Area Headquarters: Hibbing Area.

TRACT B1 COUNTY: ITASCA AREA: HIBBING AREA ACRES: 15.0

Permit Number: B015492
Expiration Date: 05/31/2026

Purchased By: Northwoods Timber Harvesting, Inc.
Address: 12992 Co Rd 55, Nashwauk, MN 55769

NENE,NWNE of Section 18 - Township 59, Range 22W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	PULPWOOD	175.00	Cd	6.30	1,102.50	6.30	1,102.50
JACK PINE	PULPWOOD	25.00	Cd	6.30	157.50	6.30	157.50
TREMBLING ASPEN	PULPWOOD	2.00	Cd	19.95	39.90	19.95	39.90
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$1,299.90	BID TOTAL = \$	1,299.90
				ADVANCE PAYMENT =	\$194.99		

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

ANY LISTED SPECIES BIOMASS 102.00 Tons 0.68 69.36

Cutting and Felling:

- Harvest by operator select thinning for a basal target of 90- 100 sq. ft. Remove jack pine before taking red pine. Harvest poorly formed, damaged and suppressed red pine before well formed dominate trees. Equipment lanes no wider than 14-16 feet and leave 30-40 feet between equipment lanes. Thinning between rows may be needed to achieve desired basal area.

Season of Operations:

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

Sale Conditions:

- Access is across county and state land.

Marketing Conditions:

Good road access right of Hwy 65 north of Nashwauk through Itasca County Gate.
First entry red pine thinning.

Price Adjustments:

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

Appraiser:

Karl John Gaalaas

TRACT B2

COUNTY: ITASCA

AREA: HIBBING AREA

ACRES: 96.9

Permit Number: B015493
Expiration Date: 05/31/2025

Purchased By: UPM - Blandin Paper

Address: 115 First Street SW, Grand Rapids, MN 55744

NENW,NESW,NWNE,NWNW,NWSE,SENE,SENW,SWNE,SWNW of Section 16 - Township 60, Range 22W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 130	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	1,563.00	Cd	18.28	28,571.64	42.04	65,708.52
+ WHITE SPRUCE	PULP & BOLTS	218.00	Cd	8.50	1,853.00	19.55	4,261.90
NORTHERN HARDWOODS	PULPWOOD	194.00	Cd	8.27	1,604.38	8.27	1,604.38
NORWAY PINE	PULP & BOLTS	110.00	Cd	11.13	1,224.30	11.13	1,224.30
BASSWOOD	PULP & BOLTS	48.00	Cd	8.82	423.36	8.82	423.36
ASH	PULP & BOLTS	32.00	Cd	6.61	211.52	6.61	211.52

+ BID SPECIES

* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$33,888.20
ADVANCE PAYMENT = \$5,083.23

BID TOTAL = \$ 73,433.98

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

ANY LISTED SPECIES BIOMASS 750.00 Tons 0.58 435.00

Mixed Species Description:

Northern Hardwoods Pulpwood includes: Red Maple 35%; Sugar Maple 65%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.

Basswood Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.

Norway Pine Pulp & Bolts includes: Bolts 35%; Pulpwood 65%.

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

Season of Operations:

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

Sale Conditions:

- Access is across Itasca County and State land.
- Permission to cross Itasca County land must be obtained by permittee.

Marketing Conditions:

Sale is located 2 miles east of State Hwy 65 and 1 mile south off of the Link Lake Forest Road.

Aspen clearcuts are 44-46 years old and average 30.5 cds/acre

Spruce and Red Pine are 38 years old and average removal is 13.5 cds/acre

Hardwood shelterwood harvest averages 86 years old and averages 20 cds/acre removal

Prices from first entry thin reduced 25% for first entry thin

Prcies from aspen clearcut increased 10% for stand density

Price Adjustments:

Road Construction Costs: -10%

Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: 0%

Appraiser:

Andrew E. Carlson

TRACT B3 COUNTY: ST. LOUIS AREA: HIBBING AREA ACRES: 90.5

Permit Number: B015494
Expiration Date: 05/31/2025

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

NESW,NWNE,NWSE,NWSW,SENE,SESW,SWNE,SWSE of Section 36 - Township 61, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 180	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	3,810.00	Cd	20.87	79,514.70	58.44	222,656.40
BALSAM FIR	PULPWOOD	50.00	Cd	5.50	275.00	5.50	275.00
ASH	PULPWOOD	30.00	Cd	6.60	198.00	6.60	198.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$79,987.70	BID TOTAL = \$	223,129.40
				ADVANCE PAYMENT =	\$11,998.16		

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

ANY LISTED SPECIES BIOMASS 1,770.00 Tons 0.65 1,150.50

Mixed Species Description:

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

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:

Sale is located off the Dean Forest Rd. about 5 miles North of the Perch Lake Rd. intersection.

Price Adjustments:

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

Appraiser:

Michael Nooker

TRACT B4 COUNTY: ITASCA AREA: HIBBING AREA ACRES: 12.0

Permit Number: B015495
Expiration Date: 05/31/2026

Purchased By: Northland Logging & Trucking Inc.
Address: 10647 HWY 23, Orr, MN 55771

NWNE of Section 7 - Township 62, Range 23W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 30	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	140.00	Cd	53.00	7,420.00	68.90	9,646.00
NORTHERN HARDWOODS	PULPWOOD	25.00	Cd	10.00	250.00	10.00	250.00
BALSAM FIR	PULPWOOD	5.00	Cd	5.00	25.00	5.00	25.00
JACK PINE	PULP & BOLTS	5.00	Cd	18.00	90.00	18.00	90.00
WHITE PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	5.00	Cd	42.50	212.50	42.50	212.50

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$7,997.50 BID TOTAL = \$ 10,223.50
ADVANCE PAYMENT = \$1,199.63

Mixed Species Description:

Northern Hardwoods Pulpwood includes: Paper Birch 84%; Red Maple 16%.

Mixed Product Description:

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

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 35%; Pulpwood 5%; Sawtimber (Softwood Only) 60%.

White Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 35%; Pulpwood 5%; Sawtimber (Softwood Only) 60%.

Season of Operations:

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

Slash Disposal:

- Biomass harvest is not allowed on this permit.

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

Marketing Conditions:

Sale area is located 1/2 mile on a dry summer logging road/recreation trail off the Button Box State Forest Road.

Price Adjustments:

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

Appraiser:

Jeff J. Sirjord

(Appraisal ID 18188-0; Cutting Block ID 21055-0)

TRACT B5

COUNTY: ITASCA

AREA: HIBBING AREA

ACRES: 14.9

Permit Number: B015496
Expiration Date: 05/31/2026

Purchased By: Bell Timber Inc.
Address: 4 Berger Avenue, Barron, WI 54812

NWNW of Section 35 - Township 62, Range 23W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 16	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	610.00	Cd	63.60	38,796.00	73.78	45,005.80
BALSAM FIR	PULPWOOD	2.00	Cd	6.00	12.00	6.00	12.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$38,808.00	BID TOTAL = \$ 45,017.80
				ADVANCE PAYMENT =		\$5,821.20	

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

ANY LISTED SPECIES BIOMASS 327.00 Tons 0.78 255.06

Mixed Product Description:

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 30%; Pulpwood 5%; Sawtimber (Softwood Only) 65%.

Season of Operations:

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

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Red Pine final harvest located at the interection of State Highway 1 and Itasca County Road 542. Excellant access.

Price Adjustments:

Road Construction Costs: +10%
Haul Distance to Nearest Mill: 0%
Stand Density: +10%
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 29, 2022

- SUMMARY SHEET -

11/29/2022 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 11/29/2022

HIBBING AREA

SUMMARY FOR <u>SOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASH	32.00	Cd	6.61	211.52
	BASSWOOD	48.00	Cd	8.82	423.36
	NORWAY PINE	110.00	Cd	11.13	1,224.30
	JACK PINE	5.00	Cd	18.00	90.00
	WHITE SPRUCE	218.00	Cd	19.55	4,261.90
PULPWOOD	ASH	30.00	Cd	6.60	198.00
	ASPEN SPECIES	3,810.00	Cd	58.44	222,656.40
	TREMBLING ASPEN	1,565.00	Cd	42.01	65,748.42
	NORTHERN HARDWOODS	219.00	Cd	8.47	1,854.38
	NORWAY PINE	175.00	Cd	6.30	1,102.50
	JACK PINE	25.00	Cd	6.30	157.50
	BALSAM FIR	57.00	Cd	5.47	312.00
BIOMASS	ANY LISTED SPECIES (optional)	2,949.00	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	WHITE PINE	5.00	Cd	42.50	212.50
	NORWAY PINE	750.00	Cd	72.87	54,651.80

TOTAL SOLD TRACTS CONVERTED TO CORDS: 7,049.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 161,981.30
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 353,104.58
TOTAL ACRES SOLD: 229.3
TOTAL NUMBER OF TRACTS SOLD: 5