

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 Cook, MN at 9:00 AM on Thursday, December 8, 2022, timber belonging to the State of Minnesota. All tracts were offered at the Cook Community Center in Cook, 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 <u>mndnr.gov/forestry/certification/certificates.html</u>



MINNESOTA DEPARTMENT OF NATURAL RESOURCES

DIVISION OF FORESTRY

REGULAR AUCTION ORAL BID TIMBER SALE TOWER AREA

9:00 AM on December 8, 2022 Cook Community Center in Cook, 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 8, 2023, at the following Area Headquarters: Tower Area.

TRACT B1 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 41.6

Permit Number: B015509 Expiration Date: 05/31/2025

Purchased By: Packaging Corporation of America

Address: 400 Third Ave East, International Falls, MN 56649

NWNW,SWNW of Section 16; SESW,SWSW of Section 8 - Township 62, Range 17W.

				APPRAISED		BID %: 205	
SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ BLACK SPRUCE	PULPWOOD	1,170.00	Cd	8.10	9,477.00	24.71	28,910.70
+ TREMBLING ASPE	EN PULPWOOD	45.00	Cd	17.10	769.50	52.16	2,347.20
TAMARACK	PULPWOOD	25.00	Cd	5.40	135.00	5.40	135.00
BALSAM FIR	PULPWOOD	10.00	Cd	4.50	45.00	4.50	45.00
PAPER BIRCH	PULPWOOD	7.00	Cd	9.00	63.00	9.00	63.00
+ BID SPECIES	★ SOLD ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$10,489.50 \$1,573.43	BID TOTA	L = \$ 31,500.90

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

ANY LISTED SPECIES	BIOMASS	685.00	Tons	0.65	445.25

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

Marketing Conditions:

Sale is best accessed through private land to the south or snowmobile trail off hwy 115.

Sale originally cruised by Terry Bergstrom.

Price reduced 10% for winter road work, plowing and working with snowmobile trail.

Price Adjustments:

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

Appraiser:

Krista M. Roth

(Appraisal ID 18201-0; Cutting Block ID 21108-0)

TRACT B2 COUNTY: ST. LOUIS

AREA: TOWER AREA

Permit Number: B015510 Expiration Date: 05/31/2025

Purchased By: Packaging Corporation of America

Address: 400 Third Ave East, International Falls, MN 56649

SESE of Section 10; NENE,NWNE,SENE of Section 15; NENW,NWNE,NWNW,SENW,SWNW of Section 14 - Township 64, Range 21W.

					APPRAISED		BID %: 0	
S	PECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	PULPWOOD	2,020.00	Cd	21.75	43,935.00	21.75	43,935.00
+	MIXED HARDWOODS	PULPWOOD	345.00	Cd	11.50	3,967.50	11.50	3,967.50
	ASH	PULPWOOD	145.00	Cd	6.90	1,000.50	6.90	1,000.50
	BALSAM FIR	PULPWOOD	120.00	Cd	5.75	690.00	5.75	690.00
	WHITE SPRUCE	PULP & BOLTS	44.00	Cd	18.63	819.72	18.63	819.72
+	BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$50,412.72 \$7,561.91	BID TOTAI	_ = \$ 50,412.72

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

ANY LISTED SPECIES	BIOMASS	1,365.00 Tons	0.65	887.25
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Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 3%; Largetooth Aspen 11%; Trembling Aspen 86%. Mixed Hardwoods Pulpwood includes: Paper Birch 73%; Red Maple 25%; Sugar Maple 2%.

Mixed Product Description:

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

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:

Sale is located west of Orr and can be accessed off of Rangeline Rd. going west on fairly decent forest access route known as the Picaroon Rd. and then continuing on through other access routes. Distance of travel is about 2.25 miles from Rangeline Rd.

Sale has high density of timber with good opportunities for landings with the existing routes and old roads going through different parts of the sale.

Price Adjustments:

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

Appraiser:

Andrew J. Erickson

TRACT B3 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 117.3

Permit Number: B015511 Expiration Date: 05/31/2025

Purchased By: Packaging Corporation of America

Address: 400 Third Ave East, International Falls, MN 56649

NENE,NESW,NWSE,SENE,SENW,SWNE,SWNW of Section 32; SESE of Section 30; NENE,NWNE,SENE of Section 31 - Township 65, Range 17W.

				APPRAISED		AISED	BID %: 111	
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	NORWAY PINE	PULP & BOLTS	1,520.00	Cd	19.68	29,913.60	41.52	63,110.40
+	TREMBLING ASPEN	PULPWOOD	280.00	Cd	15.20	4,256.00	32.07	8,979.60
+	JACK PINE	PULP & BOLTS	235.00	Cd	11.20	2,632.00	23.63	5,553.05
	MIXED SPRUCE	PULP & BOLTS	105.00	Cd	8.93	937.65	8.93	937.65
	WHITE PINE	PULP & BOLTS	11.00	Cd	11.61	127.71	11.61	127.71
	BALSAM FIR	PULPWOOD	8.00	Cd	4.00	32.00	4.00	32.00
	MIXED HARDWOODS	PULPWOOD	6.00	Cd	8.00	48.00	8.00	48.00
	TAMARACK	PULPWOOD	2.00	Cd	4.80	9.60	4.80	9.60
+	BID SPECIES * SOLI	O ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$37,956.56 \$5,693.48	BID TOTA	L = \$ 78,798.01

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

ANY LISTED SPECIES BIOMASS	990.00 Tons	0.65 643.50	
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Mixed Species Description:

Mixed Hardwoods Pulpwood includes: Paper Birch 33%; Red Maple 67%. Mixed Spruce Pulp & Bolts includes: Black Spruce 76%; White Spruce 24%.

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 40%; Pulpwood 60%. Mixed Spruce Pulp & Bolts includes: Bolts 12%; Pulpwood 88%. Norway Pine Pulp & Bolts includes: Bolts 62%; Pulpwood 38%. White Pine Pulp & Bolts includes: Bolts 37%; Pulpwood 63%.

Season of Operations:

- Conduct sale operations on dry/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 can be accessed through the Elbow Lake Forest Rd. and then through the Shuster Rd. and/or McConichi Rd.

100% of sale is summer harvest.

Site was thinned previously allowing for good operability within the sale.

Price Adjustments:

Road Construction Costs: +5% Haul Distance to Nearest Mill: 0% Stand Density: -5% Operational Constraints: 0% Other Price Factor: -20% (haul distance to mill)

Appraiser:

Andrew J. Erickson

(Appraisal ID 18089-0; Cutting Block ID 20997-0)

TRACT B4 COUNTY: KOOCHICHING

AREA: TOWER AREA

ACRES: 69.0

Permit Number: B015512 Expiration Date: 05/31/2025

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

NENE,NENW,NWNE,NWNW,SENW,SWNE,SWNW of Section 35; NESW,NWSW,SESE,SESW,SWSE,SWSW of Section 26 - Township 67, Range 22W.

					APPRAISED		BID %: 0	
5	PECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	PULPWOOD	500.00	Cd	19.95	9,975.00	19.95	9,975.00
+	MIXED SPRUCE	PULP & BOLTS	260.00	Cd	11.39	2,961.40	11.39	2,961.40
+	MIXED HARDWOODS	PULPWOOD	240.00	Cd	10.50	2,520.00	10.50	2,520.00
+	BALSAM FIR	PULPWOOD	210.00	Cd	5.25	1,102.50	5.25	1,102.50
	ASH	PULP & BOLTS	135.00	Cd	7.25	978.75	7.25	978.75
	JACK PINE	PULP & BOLTS	35.00	Cd	10.50	367.50	10.50	367.50
	NORWAY PINE	PULP & BOLTS	30.00	Cd	15.75	472.50	15.75	472.50
+	BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$18,377.65 \$2,756.65	BID TOTA	L = \$ 18,377.65

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

ANY LISTED SPECIES	BIOMASS	807.00 Tons	0.65	524.55

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 10%; Largetooth Aspen 30%; Trembling Aspen 60%. Mixed Hardwoods Pulpwood includes: Paper Birch 90%; Red Maple 10%. Mixed Spruce Pulp & Bolts includes: Black Spruce 90%; White Spruce 10%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 10%; Pulpwood 90%. Jack Pine Pulp & Bolts includes: Bolts 20%; Pulpwood 80%. Mixed Spruce Pulp & Bolts includes: Bolts 15%; Pulpwood 85%. Norway Pine Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

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:

This sale is located off the Biondich forest road 10 miles west of US Highway 53 Via the Keyes road continuing to the Biondich.

This sale is 80 percent dry chance.

Price Adjustments:

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

Appraiser:

Mary R. Corty

TRACT B5 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 45.6

Permit Number: B015513 Expiration Date: 05/31/2025

Purchased By: Packaging Corporation of America

Address: 400 Third Ave East, International Falls, MN 56649

SWSW of Section 27; NENE of Section 33; NWNW of Section 34; SESE of Section 28 - Township 68, Range 20W.

				APPRAISED		AISED	BID %: 0	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
4	ASPEN SPECIES	PULPWOOD	1,866.00	Cd	19.01	35,472.66	19.01	35,472.66
	BALSAM FIR	PULPWOOD	56.00	Cd	5.25	294.00	5.25	294.00
	MIXED HARDWOODS	PULPWOOD	32.00	Cd	7.14	228.48	7.14	228.48
-	+ BID SPECIES * SOLD	O ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$35,995.14 \$5,399.27	BID TOTAI	_ = \$ 35,995.14

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

ANY LISTED SPECIES BIOMASS 893.00 Tons 0.65 580.45	ANY LISTED SPECIES BIO	DMASS 893.00	Tons	0.65	580.45
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Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 30%; Trembling Aspen 70%. Mixed Hardwoods Pulpwood includes: Ash 80%; Paper Birch 20%.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Sale located 1 mile southeast of gate on East Camp 90 SFR.

Price adjustments made to reflect road work which includes plowing of Camp 90 SFR, brushing out of access trail, and possible placement of culvert to cross wash out.

Price Adjustments:

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

Appraiser:

Victoria Jari

(Appraisal ID 17789-0; Cutting Block ID 20683-0)

TRACT B6 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 36.2

Permit Number: B015514 Expiration Date: 05/31/2025

Purchased By: Packaging Corporation of America

Address: 400 Third Ave East, International Falls, MN 56649

SESW,SWSW of Section 4; SESE of Section 5; NWNW of Section 9 - Township 68, Range 21W.

				APPRAISED		AISED	BID %: 15		
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE	
+	TREMBLING ASPEN	PULPWOOD	1,000.00	Cd	23.75	23,750.00	27.31	27,310.00	
	BALSAM FIR	PULPWOOD	225.00	Cd	6.25	1,406.25	6.25	1,406.25	
	PAPER BIRCH	PULPWOOD	20.00	Cd	12.50	250.00	12.50	250.00	
	ASH	PULPWOOD	5.00	Cd	7.50	37.50	7.50	37.50	
+ BID SPECIES * SOLD ON APPRAISED VOLUME			APPRAISED TOTAL =		\$25,443.75	BID TOTA	L = \$ 29,003.75		
			A	DVANCE	PAYMENT =	\$3,816.56			
Optional Timber (may be purchased with an Added Timber Agreement):									
		PIOMASS	750.00	Tono	0.65	197 50			

ANY LISTED SPECIES	5 BIOMASS	750.00	Tons	0.65	487.50

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Sale is located just down the north end of the Kolar Pit Road. This sale will be available for harvest during a very dry summer or fall.

Price Adjustments:

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

Appraiser:

Timothy D. St Aubin

(Appraisal ID 17371-0; Cutting Block ID 20006-0)

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 8, 2022

TOWER AREA

SUMMARY FOR <u>SOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASH	135.00	Cd	7.25	978.75
	WHITE PINE	11.00	Cd	11.61	127.71
	NORWAY PINE	1,550.00	Cd	41.02	63,582.90
	JACK PINE	270.00	Cd	21.93	5,920.55
	WHITE SPRUCE	44.00	Cd	18.63	819.72
	MIXED SPRUCE	365.00	Cd	10.68	3,899.05
PULPWOOD	ASH	150.00	Cd	6.92	1,038.00
	ASPEN SPECIES	4,386.00	Cd	20.38	89,382.66
	TREMBLING ASPEN	1,325.00	Cd	29.16	38,636.80
	PAPER BIRCH	27.00	Cd	11.59	313.00
	BALSAM FIR	629.00	Cd	5.68	3,569.75
	BLACK SPRUCE	1,170.00	Cd	24.71	28,910.70
	TAMARACK	27.00	Cd	5.36	144.60
	MIXED HARDWOODS	623.00	Cd	10.86	6,763.98
BIOMASS	ANY LISTED SPECIES (optional)	5,490.00	Tons	-	0.00
TOTAL SOLD TRACTS CONVERTED TO CORDS:10,712.00TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS:\$ 178,675.32TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:\$ 244,088.17TOTAL ACRES SOLD:373.2TOTAL NUMBER OF TRACTS SOLD:6					