



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 Chisholm, MN at 9:00 AM on Tuesday, November 28, 2023, timber belonging to the State of Minnesota. All tracts were offered at the Minnesota Discovery Center in Chisholm, MN.

Some of the timber offered was certified by SFI or FSC or both. See the certification notes in the descriptions for the individual tracts for details.

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 28, 2023
Minnesota Discovery Center in Chisholm, 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 28, 2024, at the following Area Headquarters: Hibbing Area.

TRACT B1 COUNTY: ST. LOUIS AREA: HIBBING AREA ACRES: 62.9

Permit Number: B015821
Expiration Date: 05/31/2025

Purchased By: Waste Wood Recyclers LLC
Address: 5077 Jean Duluth Road, Duluth, MN 55803

NENE,NESE,NESW,NWNE,NWSE,SENE,SESW,SWSE of Section 36 - Township 58, Range 15W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 26	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULP & BOLTS	1,385.00	Cd	19.00	26,315.00	23.94	33,156.90
+ MIXED SPRUCE	PULP & BOLTS	269.00	Cd	16.92	4,551.48	21.32	5,735.08
TAMARACK	PULP & BOLTS	188.00	Cd	8.46	1,590.48	8.46	1,590.48
BALSAM FIR	PULP & BOLTS	93.00	Cd	9.42	876.06	9.42	876.06
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$33,333.02	BID TOTAL = \$	41,358.52
				ADVANCE PAYMENT =	\$4,999.95		

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

ANY LISTED SPECIES BIOMASS 1,163.00 Tons 0.65 755.95

Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 62%; White Spruce 38%.

Mixed Product Description:

- Balsam Fir Pulp & Bolts includes: Bolts 26%; Pulpwood 74%.
- Mixed Spruce Pulp & Bolts includes: Bolts 44%; Pulpwood 56%.
- Tamarack Pulp & Bolts includes: Bolts 41%; Pulpwood 59%.
- 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.
- No sale operations due to endangered and threatened species allowed between April 15 to October 30 within 1/4 mile of the St. Louis River, without written permission from State.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

- All state ownership painted sale boundaries are identified with both blue flagging and double blue paint. All other painted sale boundaries are identified with single blue paint.
- All portions of the sale area are accessible through state land off Road 47, which is a township road.
- Approximately 10% of the total sale volume was impacted from a September 2023 windstorm. The level of blowdown varies significantly across the sale area. There are isolated patches of significant damage while some areas have very little to no blowdown.
- The sale expiration is 05/31/2025 as a result of the blowdown.
- For more information, contact Corey Skerjance at (218) 735-3954.

Price Adjustments:

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

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Corey Mark Skerjance

(Appraisal ID 18853-0; Cutting Block ID 21708-0)

TRACT B2 COUNTY: ST. LOUIS AREA: HIBBING AREA ACRES: 39.6

Permit Number: B015822
 Expiration Date: 05/31/2026

Purchased By: Waste Wood Recyclers LLC
 Address: 5077 Jean Duluth Road, Duluth, MN 55803

SWSE of Section 9; NENW,NWNE of Section 16 - Township 58, Range 17W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+* ASPEN SPECIES	PULP & BOLTS	638.00	Cd	15.08	9,621.04	15.08	9,621.04
+* MAPLE SPECIES	PULPWOOD	144.00	Cd	8.00	1,152.00	8.00	1,152.00
* BALSAM FIR	PULP & BOLTS	56.00	Cd	9.17	513.52	9.17	513.52
* PAPER BIRCH	PULPWOOD	30.00	Cd	8.00	240.00	8.00	240.00
* WHITE SPRUCE	PULP & BOLTS	18.00	Cd	10.22	183.96	10.22	183.96
* ASH	PULPWOOD	5.00	Cd	4.80	24.00	4.80	24.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$11,734.52
 ADVANCE PAYMENT = \$1,760.18
 BID TOTAL = \$ 11,734.52

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

* ANY LISTED SPECIES BIOMASS 1,230.00 Tons 0.52 639.60

SOAV Option:

Sold on Appraised Volume (SOAV) option is available. If elected, Permittee must sign option agreement on date of permit purchase.

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 5%; Largetooth Aspen 1%; Trembling Aspen 94%.
 Maple Species Pulpwood includes: Red Maple 77%; Sugar Maple 23%.

Mixed Product Description:

Aspen Species Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.
 Balsam Fir Pulp & Bolts includes: Bolts 38%; Pulpwood 62%.
 White Spruce Pulp & Bolts includes: Bolts 21%; Pulpwood 79%.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

- All state ownership painted sale boundaries are identified with both blue flagging and double blue paint. All interior painted sale boundaries are identified with single blue paint.
- Access is through state land via a mining road which connects to the Landfill Road. The mining road is gated and locked. Additional access via a woods road through Rendrag, Inc. property would provide better access and would avoid road building. The permittee is responsible for securing access through Rendrag, Inc. property only if this woods road was utilized.
- The sale area is operable during both frozen and dry soil conditions as the ground is rocky. A portion of the sale area is on very disturbed mining land with overburden piles. It is likely that small portions of the sale area will be inoperable as a result of the piled mine rock.
- This sale has the potential to be harvested/hailed during spring break-up as the roads are all rated for 10 tons/axle.
- This sale is conducive to both a roundwood and biomass harvesting operation as there is a significant volume of tops, limbs, and pre-merchantable tree biomass.
- The breakdown of biomass volume is as follows:
 - Tops & Limbs: 583 Tons
 - Pre-Merchantable Trees: 647 Tons

- Total: 1,230 Tons
- Sold on Appraised Volume (SOAV) option is available. If elected, Permit Holder must sign agreement option on date of permit purchase.
- For more information and/or to obtain access through the gate, contact Corey Skerjance at (218) 735-3954.

Price Adjustments:

- Road Construction Costs: +10%
- Haul Distance to Nearest Mill: 0%
- Stand Density: 0%
- Operational Constraints: -10%
- Other Price Factor: -20% (Rocky/Hilly Terrain)

Certification Note:

The timber on this tract is from non-certified land.

Appraiser:

Corey Mark Skerjance

(Appraisal ID 18983-0; Cutting Block ID 21963-0)

TRACT B3 COUNTY: ITASCA AREA: HIBBING AREA ACRES: 87.5

Permit Number: B015823
Expiration Date: 05/31/2027

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

NENW,NWNW,SENW,SWNW of Section 12; NESE,SESE of Section 2; SESW,SWSW of Section 1 - Township 60, Range 22W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 22	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	3,463.00	Cd	63.60	220,246.80	77.59	268,694.17
NORTHERN HARDWOODS	PULPWOOD	35.00	Cd	12.00	420.00	12.00	420.00
BALSAM FIR	PULPWOOD	30.00	Cd	6.00	180.00	6.00	180.00
TREMBLING ASPEN	PULPWOOD	10.00	Cd	22.80	228.00	22.80	228.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$221,074.80 BID TOTAL = \$ 269,522.17
 ADVANCE PAYMENT = \$33,161.22

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

ANY LISTED SPECIES BIOMASS 1,475.00 Tons 0.78 1,150.50

Mixed Species Description:

Northern Hardwoods Pulpwood includes: Paper Birch 70%; Red Maple 30%.

Mixed Product Description:

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 15%; Pulpwood 5%; Sawtimber (Softwood Only) 80%.

Cutting and Felling:

- Broadcast skid across site to kill brush and scarify site for regeneration by exposing mineral soil. Intent is to have minimum 70 % mineral soil exposure. Full tree skidding recommended.

Season of Operations:

- Conduct sale operations on dry/snow free soil conditions only, except with written permission from State.
- The Timber Sale Administrator (TSA) can allow or stop permit operations to minimize rutting, root damage, bark slippage, beetle infestations or wildfire risk. If excessive damage is occurring, the TSA will stop operations until site conditions improve. For pine operations the following restrictions apply, except with written permission from the State, to cut pine greater than 4 inch diameter: February 1 through April 30: Pine cut in this period must be hauled or destroyed by June 1. May 1 through August 31 : Pine cut in this period must be hauled or destroyed within 3 weeks. September 1 through January 31 : No special restrictions for pine cut in this period.

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 50 feet away from standing timber.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Red Pine final harvest located off the Link Lake and Beatrice Forest Roads.

Price Adjustments:

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

Other Price Factor: 0%

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Andrew E. Carlson

(Appraisal ID 19011-0; Cutting Block ID 22001-0)

TRACT B4 COUNTY: ITASCA AREA: HIBBING AREA ACRES: 57.0

Permit Number: B015824
Expiration Date: 05/31/2026

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

NENE,NENW,NWNE,SENE,SENW,SWNE of Section 25 - Township 61, Range 23W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 125	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULP & BOLTS	1,738.00	Cd	19.95	34,673.10	44.89	78,018.82
MIXED SPRUCE	PULP & BOLTS	80.00	Cd	18.90	1,512.00	18.90	1,512.00
BALSAM FIR	PULPWOOD	73.00	Cd	5.25	383.25	5.25	383.25
JACK PINE	PULP & BOLTS	40.00	Cd	15.75	630.00	15.75	630.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$37,198.35	BID TOTAL = \$	80,544.07
				ADVANCE PAYMENT =	\$5,579.75		

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

ANY LISTED SPECIES BIOMASS 1,167.00 Tons 0.68 793.56

Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 15%; White Spruce 85%.

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 45%; Pulpwood 55%.
Mixed Spruce Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.
Trembling Aspen Pulp & Bolts includes: Bolts 25%; Pulpwood 75%.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Very nice aspen sale located south of Thistlewdeew lake and west of State Hwy 65

Price Adjustments:

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

Certification Note:

The timber on this tract is SFI and FSC certified.

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 28, 2023

- SUMMARY SHEET -

11/28/2023 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 12/04/2023

HIBBING AREA

SUMMARY FOR <u>SOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASPEN SPECIES	638.00	Cd	15.08	9,621.04
	TREMBLING ASPEN	3,123.00	Cd	35.60	111,175.72
	JACK PINE	40.00	Cd	15.75	630.00
	WHITE SPRUCE	18.00	Cd	10.22	183.96
	BALSAM FIR	149.00	Cd	9.33	1,389.58
	TAMARACK	188.00	Cd	8.46	1,590.48
	MIXED SPRUCE	349.00	Cd	20.77	7,247.08
PULPWOOD	ASH	5.00	Cd	4.80	24.00
	TREMBLING ASPEN	10.00	Cd	22.80	228.00
	PAPER BIRCH	30.00	Cd	8.00	240.00
	MAPLE SPECIES	144.00	Cd	8.00	1,152.00
	NORTHERN HARDWOODS	35.00	Cd	12.00	420.00
	BALSAM FIR	103.00	Cd	5.47	563.25
BIOMASS	ANY LISTED SPECIES (optional)	5,035.00	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	NORWAY PINE	3,463.00	Cd	77.59	268,694.17

TOTAL SOLD TRACTS CONVERTED TO CORDS: 8,295.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 303,340.69
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 403,159.28
TOTAL ACRES SOLD: 247.0
TOTAL NUMBER OF TRACTS SOLD: 4