



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 7, 2023, 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 mndnr.gov/forestry/certification/certificates.html



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY
REGULAR AUCTION
ORAL BID TIMBER SALE
TOWER AREA

9:00 AM on December 7, 2023
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 7, 2024, at the following Area Headquarters: Tower Area.

TRACT B1 COUNTY: ST. LOUIS AREA: TOWER AREA ACRES: 185.8

Permit Number: B015849
Expiration Date: 05/31/2026

Purchased By: Mike Nielsen Logging
Address: 1979 Sotlich Road, Ely, MN 55731

NWSW of Section 27; NESE, NESW, NWNW, NWSW, SENE, SENW, SESW, SWNW, SWSW of Section 28;
NENW, NWNW of Section 33; NENE, NWNE of Section 32 - Township 60, Range 12W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ JACK PINE	PULP & BOLTS	2,225.00	Cd	11.39	25,342.75	11.39	25,342.75
+ MIXED SPRUCE	PULP & BOLTS	928.00	Cd	11.78	10,931.84	11.78	10,931.84
+ MIXED HARDWOODS	PULPWOOD	905.00	Cd	8.50	7,692.50	8.50	7,692.50
+ TREMBLING ASPEN	PULPWOOD	593.00	Cd	16.15	9,576.95	16.15	9,576.95
BALSAM FIR	PULPWOOD	117.00	Cd	4.25	497.25	4.25	497.25
TAMARACK	PULPWOOD	78.00	Cd	5.10	397.80	5.10	397.80
ASH	PULPWOOD	9.00	Cd	5.10	45.90	5.10	45.90

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$54,484.99
ADVANCE PAYMENT = \$8,172.75
BID TOTAL = \$ 54,484.99

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

ANY LISTED SPECIES BIOMASS 2,570.00 Tons 0.65 1,670.50

Mixed Species Description:

Mixed Hardwoods Pulpwood includes: Paper Birch 88%; Red Maple 12%.
Mixed Spruce Pulp & Bolts includes: Black Spruce 75%; White Spruce 25%.

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 37%; Pulpwood 63%.
Mixed Spruce Pulp & Bolts includes: Bolts 27%; Pulpwood 73%.

Season of Operations:

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

Sale Conditions:

- Access is across state, mining company and possibly USFS land.
- Permission to cross mining company and possibly USFS land must be obtained by permittee.
- Access across mining company lands requires bonding insurance and signed joinder agreement. Possible access is across approximately 5.1 miles of US Forest Service roads. If using USFS system roads, the permit holder shall obtain a road use permit from the USFS District Office before beginning sale operations. Provisions of this permit will become part of the terms and conditions for the sale.

Marketing Conditions:

This sale is 3 separate clear-cut units. Approximately 55 acres of the harvest area will require frozen ground, the remaining 130.8 acres has a very high chance of dry ground harvest.

There are 33 mine boring collars within the harvest area, collars will be flagged prior to sale operations.

Access is through Cliffs/Northshore gate and hauling on the Dunka Road. Alternate frozen access using USFS FR112 and Teck American Inc. roads with permission.

Price Adjustments:

- Road Construction Costs: +5%
- Haul Distance to Nearest Mill: -15%
- Stand Density: +5%
- Operational Constraints: 0%

Other Price Factor: -10% (bonding insurance and joinder agreement)

Appraiser:

Jacob Corty

(Appraisal ID 18677-0; Cutting Block ID 21653-0)

TRACT B2

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 189.4

Permit Number: B015850
Expiration Date: 05/31/2026

Purchased By: Sappi Cloquet LLC
Address: 20 N. 22nd Street, Cloquet, MN 55720

NESE,NESW,NWSE,NWSW,SENE,SENW,SESE,SESW,SWNE,SWNW,SWSE,SWSW of Section 16 -
Township 60, Range 16W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 125	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	4,300.00	Cd	18.55	79,765.00	41.74	179,482.00
+ MIXED HARDWOODS	PULPWOOD	600.00	Cd	10.00	6,000.00	22.50	13,500.00
BALSAM FIR	PULPWOOD	75.00	Cd	5.00	375.00	5.00	375.00
MIXED SPRUCE	PULPWOOD	50.00	Cd	9.00	450.00	9.00	450.00
WHITE CEDAR	PULPWOOD	5.00	Cd	6.00	30.00	6.00	30.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$86,620.00 BID TOTAL = \$ 193,837.00
ADVANCE PAYMENT = \$12,993.00

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

ANY LISTED SPECIES BIOMASS 2,350.00 Tons 0.65 1,527.50

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 15%; Trembling Aspen 85%.
Mixed Hardwoods Pulpwood includes: Paper Birch 65%; Red Maple 15%; Sugar Maple 20%.
Mixed Spruce Pulpwood includes: Black Spruce 30%; White Spruce 70%.

Season of Operations:

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

Sale Conditions:

- Access is across county and private land.
- Permission to cross county and private land must be obtained by permittee.

Marketing Conditions:

Sale is located approximately 12 miles south of Tower. Access to the sale is either south off the Dahl Road across county land, east on the Hilda Road across private land, or west off of the West Taylor Road across county land.
Sale may be harvested in summer dry conditions. Best access for summer operation is across private land.

Price Adjustments:

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

Appraiser:

Keith Flood

TRACT B3 COUNTY: ST. LOUIS AREA: TOWER AREA ACRES: 80.7

Permit Number: B015851
Expiration Date: 05/31/2026

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

NESE,NWSE,SESE,SWSE of Section 7 - Township 63, Range 19W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	3,222.00	Cd	21.85	70,400.70	21.85	70,400.70
BALSAM FIR	PULPWOOD	289.00	Cd	5.75	1,661.75	5.75	1,661.75
MIXED HARDWOODS	PULPWOOD	146.00	Cd	11.50	1,679.00	11.50	1,679.00
ASH	PULPWOOD	97.00	Cd	6.90	669.30	6.90	669.30
WHITE SPRUCE	PULPWOOD	39.00	Cd	10.35	403.65	10.35	403.65
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$74,814.40	BID TOTAL = \$	74,814.40
				ADVANCE PAYMENT =	\$11,222.16		

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

ANY LISTED SPECIES BIOMASS 1,846.00 Tons 0.65 1,199.90

Mixed Species Description:

Mixed Hardwoods Pulpwood includes: Paper Birch 86%; Red Maple 14%.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

This sale is a clearcut with patch and scattered reserves. From Gheen Corner go south 0.40 miles on Highway 53, from there going east an access road runs through private and County land for 0.40 miles. From the end of this access trail approx. 0.20 miles of new road will be needed through black spruce and aspen regen to enter the stand.

Price Adjustments:

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

Appraiser:

Jacob Corty

TRACT B4 COUNTY: ST. LOUIS AREA: TOWER AREA ACRES: 70.5

Permit Number: B015852
 Expiration Date: 05/31/2026

Purchased By:
 Address:

NWSE of Section 32; NESE,NWSE of Section 28; GL02,NESW,SESW of Section 30 - Township 64, Range 16W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID:	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	865.00	Cd	34.45	29,799.25	34.45	29,799.25
+ WHITE PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	535.00	Cd	27.63	14,782.05	27.63	14,782.05
+ ASPEN SPECIES	PULPWOOD	240.00	Cd	12.35	2,964.00	12.35	2,964.00
MIXED HARDWOODS	PULPWOOD	110.00	Cd	6.50	715.00	6.50	715.00
ASH	PULPWOOD	6.00	Cd	3.90	23.40	3.90	23.40
JACK PINE	PULP & BOLTS	5.00	Cd	13.65	68.25	13.65	68.25

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$48,351.95
 ADVANCE PAYMENT = \$7,252.79
 BID TOTAL = \$ 48,351.95

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

ANY LISTED SPECIES BIOMASS 760.00 Tons 0.65 494.00

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 8%; Trembling Aspen 92%.
 Mixed Hardwoods Pulpwood includes: Paper Birch 77%; Red Maple 23%.

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 75%; Pulpwood 25%.
 Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 27%; Pulpwood 17%; Sawtimber (Softwood Only) 56%.
 White Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 27%; Pulpwood 33%; Sawtimber (Softwood Only) 40%.

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State.
- Permit is all season except, per FWS concurrence, All tree clearing activities from temporary road construction and timber harvest should take place during bat inactive season October 1-March 31.

Sale Conditions:

- Access is across USFS and county land.
- Permission to cross USFS and county land must be obtained by permittee.
- Best access is across approximately 16.3 miles US Forest Service roads. If using USFS system roads, the permit holder shall obtain a road use permit from the USFS District Office before beginning sale operations. Provisions of this permit will become part of the terms and conditions for this sale.
- Best access requires new access across USFS lands. A Special Use permit for the identified route has been applied for by the DNR. Provisions of this permit will become part of the terms and conditions for this sale.

Marketing Conditions:

Sale is located down the Echo Trail (County Rd. 116) and then down the USFS Rd. 200.

East unit is winter accessible only, due to seasonal restriction.

Price Adjustments:

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

Operational Constraints: -10%
Other Price Factor: -15% (reoffer)

Appraiser:

Andrew J. Erickson

(Appraisal ID 16161-0; Cutting Block ID 18802-0)

TRACT B5

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 78.9

Permit Number: B015853
Expiration Date: 05/31/2026

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

GL02, GL03 of Section 16; SENW, SWNW of Section 15 - Township 64, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	3,150.00	Cd	21.68	68,292.00	21.68	68,292.00
MIXED HARDWOODS	PULPWOOD	290.00	Cd	11.50	3,335.00	11.50	3,335.00
BALSAM FIR	PULPWOOD	160.00	Cd	5.75	920.00	5.75	920.00
ASH	PULPWOOD	150.00	Cd	6.90	1,035.00	6.90	1,035.00
WHITE SPRUCE	PULP & BOLTS	51.00	Cd	18.63	950.13	18.63	950.13
TAMARACK	PULPWOOD	5.00	Cd	6.90	34.50	6.90	34.50

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$74,566.63 BID TOTAL = \$ 74,566.63
ADVANCE PAYMENT = \$11,184.99

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

ANY LISTED SPECIES BIOMASS 1,830.00 Tons 0.65 1,189.50

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 5%; Largetooth Aspen 3%; Trembling Aspen 92%.
Mixed Hardwoods Pulpwood includes: Paper Birch 88%; Red Maple 12%.

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

Marketing Conditions:

Sale is located west of Orr and can be accessed off Rangeline Rd. going west on a fairly decent forest access route known as the Picaroon Rd. and then continuing on through other access routes. Distance of travel is about 3.5 miles from Rangeline Rd.

Sale has high density of timber with good opportunities for landings with the existing routes 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

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 7, 2023

- SUMMARY SHEET -

12/07/2023 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 12/07/2023

TOWER AREA

SUMMARY FOR <u>ALL</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	JACK PINE	5.00	Cd	13.65	68.25
PULPWOOD	ASH	6.00	Cd	3.90	23.40
	ASPEN SPECIES	240.00	Cd	12.35	2,964.00
	MIXED HARDWOODS	110.00	Cd	6.50	715.00
BIOMASS	ANY LISTED SPECIES (optional)	760.00	Tons	0.65	494.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	WHITE PINE	535.00	Cd	27.63	14,782.05
	NORWAY PINE	865.00	Cd	34.45	29,799.25

TOTAL SALE CONVERTED TO CORDS: 1,761.00
TOTAL APPRAISED DOLLAR VALUE OF SALE: \$ 48,351.95
TOTAL BID-UP DOLLAR VALUE OF SALE: \$ 0.00
TOTAL ACRES: 70.5
ALL TRACT NUMBER: 4
TOTAL NUMBER OF TRACTS: 1

SUMMARY FOR <u>SOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	JACK PINE	2,225.00	Cd	11.39	25,342.75
	WHITE SPRUCE	51.00	Cd	18.63	950.13
	MIXED SPRUCE	928.00	Cd	11.78	10,931.84
PULPWOOD	ASH	256.00	Cd	6.84	1,750.20
	ASPEN SPECIES	7,450.00	Cd	33.26	247,774.00
	TREMBLING ASPEN	3,815.00	Cd	20.96	79,977.65
	WHITE SPRUCE	39.00	Cd	10.35	403.65
	BALSAM FIR	641.00	Cd	5.39	3,454.00
	TAMARACK	83.00	Cd	5.21	432.30
	WHITE CEDAR	5.00	Cd	6.00	30.00
	MIXED SPRUCE	50.00	Cd	9.00	450.00
	MIXED HARDWOODS	1,941.00	Cd	13.50	26,206.50
BIOMASS	ANY LISTED SPECIES (optional)	8,596.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 17,484.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 290,486.02
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 397,703.02
TOTAL ACRES SOLD: 534.8
SOLD TRACT NUMBERS: 1, 2, 3, 5
TOTAL NUMBER OF TRACTS SOLD: 4