

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

CLOQUET AREA

STATUS: COMPLETED REGULAR AUCTION - SALE #1 ORAL BID

Notice is hereby given that I offered for sale at public auction in Carlton, MN at 9:00 AM on Tuesday, December 12, 2023, timber belonging to the State of Minnesota. All tracts were offered at the Carlton County Land Department Building in Carlton, 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 CLOQUET AREA

9:00 AM on December 12, 2023 Carlton County Land Department Building in Carlton, 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 12, 2024, at the following Area Headquarters: Cloquet Area.

TRACT B1 COUNTY: CARLTON

AREA: CLOQUET AREA

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ACRES: 38.5
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Permit Number: B015854 Expiration Date: 05/31/2027

> Purchased By: Potlatch Deltic Land & Lumber, LLC Address: 50518 Co Rd 45, Bemidji, MN 56601

NESW,NWSE,SENW,SESW,SWSE of Section 26 - Township 46, Range 16W.

					APPR	AISED	BID %: 20	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	- NORWAY PINE	PULP & BOLTS	779.00	Cd	29.70	23,136.30	35.64	27,763.56
+	- TREMBLING ASPEN	PULPWOOD	478.00	Cd	20.90	9,990.20	25.08	11,988.24
+	MAPLE SPECIES	PULP & BOLTS	125.00	Cd	14.30	1,787.50	17.16	2,145.00
	PAPER BIRCH	PULP & BOLTS	47.00	Cd	15.40	723.80	15.40	723.80
	RED OAK	PULP & BOLTS	28.00	Cd	22.66	634.48	22.66	634.48
	BALSAM FIR	PULPWOOD	19.00	Cd	5.50	104.50	5.50	104.50
_	+ BID SPECIES * SC	DLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$36,376.78 \$5,456.52	BID TOTA	L = \$ 43,359.58

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

ANY LISTED SPECIES	BIOMASS	844.00 Tons	0.65	548.60

Mixed Species Description:

Maple Species Pulp & Bolts includes: Red Maple 65%; Sugar Maple 35%.

Mixed Product Description:

Maple Species Pulp & Bolts includes: Bolts 30%; Pulpwood 70%. Norway Pine Pulp & Bolts includes: Bolts 70%; Pulpwood 30%. Paper Birch Pulp & Bolts includes: Bolts 40%; Pulpwood 60%. Red Oak Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.

Season of Operations:

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

- Oak wilt is within 20 miles and poses a threat. No sale operations allowed from April 1-July 15 in the Aspen/NH stands due to oak wilt concerns, unless with written permission from State.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

The pine stands were originally scheduled for 2nd to last thinning. However, there was over 20% damage (not including completely destroyed trees) from the December 2022 snow storm. With any sort of thinning, the stands would have been under-stocked. Therefore, the stands are now set for clear-cut w/ reserves (of which most is set in RMZ to the east edge or scattered individuals). Most of the damage is to the top pulp stick, but has been cruised accordingly. There are some small pockets of severe damage w/ complete destruction. However, it is easy to work through the majority of the stands.

Operational constraints due to oak wilt restrictions and OHM trail slash awareness.

Digital/Avenza map will be provided upon request.

Price Adjustments:

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

Appraiser:

Joshua C. Muchow

(Appraisal ID 18999-0; Cutting Block ID 22007-0)

TRACT B2 COUNTY: CARLTON

AREA: CLOQUET AREA

Permit Number: B015855 Expiration Date: 05/31/2027

Purchased By: Sappi Cloquet LLC

Address: 20 N. 22nd Street, Cloquet, MN 55720

NESE,SENE of Section 15; NESW,NWSE,NWSW,SENW,SWNE,SWNW of Section 14 - Township 46, Range 16W.

	APPRAISED		BID %: 0					
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASH	PULP & BOLTS	1,117.00	Cd	5.03	5,618.51	5.03	5,618.51
+	TREMBLING ASPEN	PULPWOOD	219.00	Cd	10.45	2,288.55	10.45	2,288.55
+	RED MAPLE	PULPWOOD	174.00	Cd	5.50	957.00	5.50	957.00
_	+ BID SPECIES * SOL	D ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$8,864.06 \$1,329.61	BID TOTA	L = \$ 8,864.06

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

ANY LISTED SPECIES BIOMASS 1,059.00 Tons 0.65 688.	ANY LISTED SPECIES	S BIOMASS	1,059.00	Tons	0.65	688.3
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Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 35%; Pulpwood 65%.

Season of Operations:

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

Sale Conditions:

- Access is across shared township road and State land.

Marketing Conditions:

This is a third re-offer. Therefore, the sale has been reduced by 45%. The lowest quality/quantity, most difficult access stand from the prior sales, has been removed. The north portion of the access road has been used for at least 3 nearby sales within the last 10 years. In addition, maple has now been included. Sale has also been given an 4th winter to complete.

On average, 15% of the sale is reserved. In large areas of the stands, there will be 0% reserved.

This permit includes ash as a harvest species; and, at the time of purchase, is NOT within the Ash Quarantine Area.

Digital/Avenza map will be provided upon request.

Price Adjustments:

Road Construction Costs: -10% Haul Distance to Nearest Mill: +5% Stand Density: +5% Operational Constraints: 0% Other Price Factor: -45% (3rd re-offer)

Appraiser:

Joshua C. Muchow

(Appraisal ID 18990-0; Cutting Block ID 21994-0)

TRACT B3 COUNTY: CARLTON

AREA: CLOQUET AREA

Permit Number: B015856 Expiration Date: 05/31/2026

Purchased By: Sappi Cloquet LLC

Address: 20 N. 22nd Street, Cloquet, MN 55720

GL02,NENW,NESE,NESW,NWNE,NWNW,NWSE,SESE,SWNE of Section 11 - Township 48, Range 19W.

					APPR	AISED	BID %: 0	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	S PULP & BOLTS	1,400.00	Cd	22.44	31,416.00	22.44	31,416.00
+	BLACK SPRUCE	PULPWOOD	210.00	Cd	10.80	2,268.00	10.80	2,268.00
+	PAPER BIRCH	PULP & BOLTS	135.00	Cd	16.80	2,268.00	16.80	2,268.00
+	MAPLE SPECIES	S PULPWOOD	110.00	Cd	12.00	1,320.00	12.00	1,320.00
	TAMARACK	PULPWOOD	80.00	Cd	7.20	576.00	7.20	576.00
	ASH	PULPWOOD	15.00	Cd	7.20	108.00	7.20	108.00
_	+ BID SPECIES	★ SOLD ON APPRAISED VOLUME			ISED TOTAL = CE PAYMENT =	\$37,956.00 \$5,693.40	BID TOTA	L = \$ 37,956.00

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

ANY LISTED SPECIES	DIOMASS	916.00 Tons	0.65	595.40
ANT LISTED SPECIES	DIOWASS	910.00 1005	0.05	595.40

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 10%; Trembling Aspen 90%. Maple Species Pulpwood includes: Red Maple 80%; Sugar Maple 20%.

Mixed Product Description:

Aspen Species Pulp & Bolts includes: Bolts 60%; Pulpwood 40%. Paper Birch Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.

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 located approximately 18 miles west of Cloquet.

Private access to the state land and state snowmobile trail is off of Corona Rd., south of Hwy 210. Corona Rd. is located between Long Lake Rd. and Peat Plant Rd.

The access route follows private trails and state recreation trails.

The black spruce and tamarack are declining. Mortality at time of appraisal is estimated to be 20% and is likely to increase if sale is not harvested before the expiration date.

Geo-referenced maps available upon request.

Price Adjustments:

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

Appraiser:

Katherine Boettcher

(Appraisal ID 18491-0; Cutting Block ID 21483-0)

TRACT B4 COUNTY: ST. LOUIS

AREA: CLOQUET AREA

ACRES: 44.0

Permit Number: B015857 Expiration Date: 05/31/2026

Purchased By: Sappi Cloquet LLC

Address: 20 N. 22nd Street, Cloquet, MN 55720

NESE, NWSE, SENE, SESE, SWSE of Section 36 - Township 54, Range 16W.

					APPRAISED		BID %: 95	
	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	PULPWOOD	915.00	Cd	19.95	18,254.25	38.90	35,593.50
+	MIXED SPRUCE	PULP & BOLTS	170.00	Cd	18.90	3,213.00	36.86	6,266.20
+	NORTHERN HARDWOODS	PULP & BOLTS	150.00	Cd	12.60	1,890.00	24.57	3,685.50
	BALSAM FIR	PULPWOOD	25.00	Cd	5.25	131.25	5.25	131.25
-	BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$23,488.50 \$3,523.28	BID TOTA	L = \$ 45,676.45

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

ŀ	ANY LISTED SPECIES	BIOMASS	602.00 Tons	0.68	409.36

Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 25%; White Spruce 75%. Northern Hardwoods Pulp & Bolts includes: Paper Birch 55%; Red Maple 45%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 50%; Pulpwood 50%. Northern Hardwoods 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 state and county land.

- County access has been granted and is part of this permit. A county access agreement will become part of the terms and conditions for this sale. If St. Louis County assess a fine, the permittee is responsible for payment.

Marketing Conditions:

This sale is a mile north of three lakes road on a county access road.

Access roads will need to be re-opened and widened.

An Avenza map is available upon request.

Price Adjustments:

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

Appraiser:

Kayla R. Johnson

(Appraisal ID 18294-0; Cutting Block ID 20984-0)

TRACT B5 COUNTY: ST. LOUIS

AREA: CLOQUET AREA

Permit Number: B015858 Expiration Date: 05/31/2027

Purchased By: Jatco, Inc.

Address: 4995 Lakeview Drive, Duluth, MN 55804

NWSE,SWNE of Section 22 - Township 55, Range 14W. NWSW,SWNW of Section 23; NESE,NWSE,SENE,SWNE of Section 22 - Township 55, Range 14W. NWNE,NWSE,SENE,SWNE of Section 22 - Township 55, Range 14W.

					APPRAISED		BID %: 11	
	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	1,455.00	Cd	50.35	73,259.25	55.89	81,319.95
	BALSAM FIR	PULPWOOD	200.00	Cd	4.75	950.00	4.75	950.00
	TREMBLING ASPEN	PULP & BOLTS	20.00	Cd	18.05	361.00	18.05	361.00
	WHITE PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	20.00	Cd	40.38	807.60	40.38	807.60
	WHITE SPRUCE	PULP & BOLTS	20.00	Cd	13.68	273.60	13.68	273.60
_	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$75,651.45 \$11,347.72	BID TOTA	L = \$ 83,712.15

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

ANY LISTED SPECIES BIOMASS 780.00 Tons 0.65 507.00
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Mixed Product Description:

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 15%; Pulpwood 13%; Sawtimber (Softwood Only) 72%. Trembling Aspen Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

White Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 25%; Pulpwood 30%; Sawtimber (Softwood Only) 45%. White Spruce 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 (Cutting Blocks 1, 2, and 3).

Sale Conditions:

- Access is across state land (Cutting Blocks 1, 2, and 3).

Marketing Conditions:

From the intersection of the Brimson road and Hwy. 4, head north.5 miles to a woods road. The woods road will lead to the sale in approximately 1.0 miles.

This is a very good summer chance site, sales adjacent have been harvested during breakup. Some minor graveling along the woods road could be required to make that feasible. Existing roads, trails and landings should provide access for all three blocks.

Sale consists of approximately 90 cords of Norway pine between 24"-28" DBH, majority of Norway pine volume falls in the 12"-22" DBH category. All Norway is of high quality.

Blocks 1 and 3 cruised by Jarrod Amundson and Dave Arras Block 2 cruised by Wes Habedank

Price Adjustments:

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

Appraiser:

Jarrod L. Amundson

(Appraisal ID 19009-0; Cutting Block ID 22029-0, 21840-0, 22010-0)

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

CLOQUET 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: December 12, 2023

CLOQUET AREA

	SUMMARY FOR SO	LD TRACTS			
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASH	1,117.00	Cd	5.03	5,618.51
	ASPEN SPECIES	1,400.00	Cd	22.44	31,416.00
	TREMBLING ASPEN	20.00	Cd	18.05	361.00
	PAPER BIRCH	182.00	Cd	16.44	2,991.80
	MAPLE SPECIES	125.00	Cd	17.16	2,145.00
	NORTHERN HARDWOODS	150.00	Cd	24.57	3,685.50
	RED OAK	28.00	Cd	22.66	634.48
	NORWAY PINE	779.00	Cd	35.64	27,763.56
	WHITE SPRUCE	20.00	Cd	13.68	273.60
	MIXED SPRUCE	170.00	Cd	36.86	6,266.20
PULPWOOD	ASH	15.00	Cd	7.20	108.00
	TREMBLING ASPEN	1,612.00	Cd	30.94	49,870.29
	MAPLE SPECIES	110.00	Cd	12.00	1,320.00
	RED MAPLE	174.00	Cd	5.50	957.00
	BALSAM FIR	244.00	Cd	4.86	1,185.75
	BLACK SPRUCE	210.00	Cd	10.80	2,268.00
	TAMARACK	80.00	Cd	7.20	576.00
BIOMASS	ANY LISTED SPECIES (optional)	4,201.00	Tons	-	0.00
WOODSRUN SAWTIMBER	WHITE PINE	20.00	Cd	40.38	807.60
(SOFTWOOD ONLY)	NORWAY PINE	1,455.00	Cd	55.89	81,319.95
TOTAL APPRAIS	DLD TRACTS CONVERTED TO CORDS: ED DOLLAR VALUE OF SOLD TRACTS: JP DOLLAR VALUE OF SOLD TRACTS: TOTAL ACRES SOLD: TOTAL NUMBER OF TRACTS SOLD:	\$ 182,336.79 \$ 219,568.24 373.0			