



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

**NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN THE FOLLOWING AREAS:
BEMIDJI AREA, WARROAD AREA, BAUDETTE AREA, BACKUS AREA, PARK RAPIDS
AREA, DEER RIVER AREA, AITKIN AREA, HIBBING AREA, TOWER AREA, CLOQUET
AREA, TWO HARBORS AREA, LITTLEFORK AREA, LITTLE FALLS AREA, SANDSTONE
AREA, LEWISTON AREA, NEW ULM AREA, NORTHWEST REGION, NORTHEAST
REGION, CENTRAL REGION, ST. PAUL TIMBER SALES UNIT**

**STATUS: COMPLETED
REGULAR AUCTION - SALE #1
SEALED BID**

Notice is hereby given that I offered for sale by sealed bid auction, timber belonging to the State of Minnesota. Bid forms were required to be submitted at the address listed on the bid form prior to 4:30 PM on Wednesday, January 10, 2024. All tracts were awarded at the Bid Awarding at DNR Forestry Northeast Region Office at 1:30 PM on January 11th in Grand Rapids, MN.

None of the timber offered was SFI or 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

SEALED BID TIMBER SALE

BEMIDJI AREA, WARROAD AREA, BAUDETTE AREA, BACKUS AREA, PARK RAPIDS AREA, DEER RIVER AREA, AITKIN AREA, HIBBING AREA, TOWER AREA, CLOQUET AREA, TWO HARBORS AREA, LITTLEFORK AREA, LITTLE FALLS AREA, SANDSTONE AREA, LEWISTON AREA, NEW ULM AREA, NORTHWEST REGION, NORTHEAST REGION, CENTRAL REGION, ST. PAUL TIMBER SALES UNIT

**SEALED BIDS MUST BE RECEIVED PRIOR TO
4:30 PM on January 10, 2024**

Bids will be awarded at the following location:

Bid Awarding at DNR Forestry Northeast Region Office at 1:30 PM on January 11th in Grand Rapids, 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. Bids must be submitted on bid forms provided by the State, all bids must be submitted in one or more envelopes, the envelopes should be marked with the auction name. Bid forms may be obtained online at <https://www.dnr.state.mn.us/forestry/timbersales/calendar.html> or from the Forestry Area Office(s) listed above. Bids may be submitted by mail or in person at any time during regular business hours prior to the bid submission deadline (4:30 PM on January 10, 2024). 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)].

ADVANCE PAYMENT

- The advance payment of fifteen (15) percent of the appraised value of the timber is due within fourteen (14) days from the bid opening date. Advance payments will not be accepted with the bid. Failure to provide the advance payment within 14 days of the bid opening date will result in forfeiture of the permit and the purchaser will be held liable for the advance payment. The successful bidders' advance payment will be kept on deposit by the State and applied against any billings for timber.

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 an advance payment and bid guarantee. Security can be furnished in the following forms: Corporate surety bond, 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 advance 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 advance 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 January 10, 2025, at the following Area Headquarters: Bemidji Area, Warroad Area, Baudette Area, Backus Area, Park Rapids Area, Deer River Area, Aitkin Area, Hibbing Area, Tower Area, Cloquet Area, Two Harbors Area, Littlefork Area, Little Falls Area, Sandstone Area, Lewiston Area, New Ulm Area, Northwest Region, Northeast Region, Central Region, St. Paul Timber Sales Unit.

TRACT B1 COUNTY: LAKE AREA: TWO HARBORS AREA ACRES: 348.8

Permit Number: B015899
Expiration Date: 05/31/2027

Purchased By: Tibbetts Trucking
Address: 6389 Lax Lake Rd, Finland, MN 55603

NENE,NESE,NWNE,NWSE,SENE,SESE,SWNE of Section 16 - Township 56, Range 9W.
SENE of Section 17; NENW,NESE,NESW,NWNE,NWNW,NWSE,NWSW,SENE,SESE,SESW,SWNW,SWSE
of Section 16 - Township 56, Range 9W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 1	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	1,824.00	Cd	14.23	25,955.52	14.37	26,210.88
+ MAPLE SPECIES	PULPWOOD	1,581.00	Cd	7.50	11,857.50	7.58	11,983.98
+ MIXED SPRUCE	PULP & BOLTS	1,081.00	Cd	16.31	17,631.11	16.47	17,804.07
BALSAM FIR	PULPWOOD	847.00	Cd	1.88	1,592.36	1.88	1,592.36
ASH	PULP & BOLTS	109.00	Cd	7.81	851.29	7.81	851.29

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$57,887.78 BID TOTAL = \$ 58,442.58
 ADVANCE PAYMENT = \$8,683.17

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

ANY LISTED SPECIES	BIOMASS	3,148.00 Tons	0.65	2,046.20
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Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 1%; Trembling Aspen 99%.
 Maple Species Pulpwood includes: Red Maple 47%; Sugar Maple 53%.
 Mixed Spruce Pulp & Bolts includes: Black Spruce 27%; White Spruce 73%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 49%; Pulpwood 51%.
 Mixed Spruce Pulp & Bolts includes: Bolts 71%; Pulpwood 29%.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State (Cutting Blocks 1 and 2).

Sale Conditions:

- Access is across USFS, state, and county land (Cutting Blocks 1 and 2).
- Permission to cross county land must be obtained by permittee (Cutting Blocks 1 and 2).
- Access crosses Public Waters. A Permit is not required if using a snow / ice bridge (Cutting Blocks 1 and 2).
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale (Cutting Blocks 1 and 2).
- THIS TIMBER HARVEST PERMIT IS LOCATED ON US FOREST SERVICE LANDS. This state timber permit, authorized by the Minnesota Good Neighbor agreement, may be suspended, modified or cancelled if the Forest Service is required to interrupt or cancel operations due to a court order or to comply with NEPA or other legal sanction (Cutting Blocks 1 and 2).

Marketing Conditions:

The sale is accessed off Forest Highway 11. There are multiple proposed access routes on a combination of State, USFS, and Lake County ownership. There are no existing roads into the sale. Estimate of 2.2 miles of new construction temporary road and 0.7 miles of re-opening existing road off Forest Highway 11. Contact forester to discuss access options and location of new temporary roads. Operational constraint price reduction of -10% for piling of slash. Sale layout and cruise by Joe Johnson, Trevor Poyhonen, and Brian Schiller.

Price Adjustments:

Road Construction Costs: 0%
 Haul Distance to Nearest Mill: -10%
 Stand Density: -5%

Operational Constraints: -10%

Other Price Factor: 0%

Certification Note:

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

Appraiser:

Trevor Karl Poyhonen

(Appraisal ID 19143-0; Cutting Block ID 22174-0, 22169-0)

TRACT B2

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 209.4

Permit Number: B015900
Expiration Date: 05/31/2027

Purchased By:
Address:

UNSOLD

NESE,NESW,NWSE,NWSW,SESE,SESW,SWNW,SWSE,SWSW of Section 28;
NWSE,SENE,SENW,SWNE of Section 29 - Township 56, Range 9W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ SUGAR MAPLE	PULPWOOD	3,710.00	Cd	7.50	27,825.00	7.50	27,825.00
+ TREMBLING ASPEN	PULPWOOD	450.00	Cd	14.25	6,412.50	14.25	6,412.50
+ PAPER BIRCH	PULP & BOLTS	240.00	Cd	8.25	1,980.00	8.25	1,980.00
BALSAM FIR	PULPWOOD	50.00	Cd	1.88	94.00	1.88	94.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$36,311.50 BID TOTAL = \$ 36,311.50
ADVANCE PAYMENT = \$5,446.73

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

ANY LISTED SPECIES BIOMASS 2,850.00 Tons 0.65 1,852.50

Mixed Product Description:

Paper Birch Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Season of Operations:

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

Sale Conditions:

- Access is across USFS and Lake County land.
- Permission to cross Lake County land must be obtained by permittee.
- THIS TIMBER HARVEST PERMIT IS LOCATED ON US FOREST SERVICE LANDS. This state timber permit, authorized by the Minnesota Good Neighbor agreement, may be suspended, modified or cancelled if the Forest Service is required to interrupt or cancel operations due to a court order or to comply with NEPA or other legal sanction.

Marketing Conditions:

Sale accessed on the Kane Lake Spur USFS System Road. Approximately 1 mile of new construction temporary road will be needed to access sale.

Soils Moderately well drained.

Prices adjusted -5% due to operational constraints. This is a shelterwood silvicultural prescription.

Balsam Fir adjusted an additional -50% due to spruce budworm damage.

Appraised by Nathan Anderson, Nathan Eiting, Joe Johnson, Mike Nooker, Trevor Poyhonen, Jeremy Schmid and Andrew Weston.

Price Adjustments:

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

Certification Note:

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

Appraiser:

Joe Johnson

(Appraisal ID 19137-0; Cutting Block ID 22149-0)

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

BEMIDJI AREA, WARROAD AREA, BAUDETTE AREA, BACKUS AREA, PARK RAPIDS AREA, DEER RIVER AREA, AITKIN AREA, HIBBING AREA, TOWER AREA - ORR FIELD STATION, CLOQUET AREA, TWO

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: January 10, 2024

- SUMMARY SHEET -

01/10/2024 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 01/23/2024

BEMIDJI AREA, WARROAD AREA, BAUDETTE AREA, BACKUS AREA, PARK RAPIDS AREA, DEER RIVER AREA, AITKIN AREA, HIBBING AREA, TOWER AREA, CLOQUET AREA, TWO HARBORS AREA, LITTLEFORK AREA, LITTLE FALLS AREA, SANDSTONE AREA, LEWISTON AREA, NEW ULM AREA, NORTHWEST REGION, NORTHEAST REGION, CENTRAL REGION, ST. PAUL TIMBER SALES UNIT

SUMMARY FOR SOLD TRACTS

<u>PRODUCT</u>	<u>SPECIES</u>	<u>TOTAL VOLUME</u>	<u>UNIT</u>	<u>SOLD AVERAGE UNIT PRICE</u>	<u>TOTAL SOLD \$ VALUE</u>
PULP & BOLTS	ASH	109.00	Cd	7.81	851.29
	MIXED SPRUCE	1,081.00	Cd	16.47	17,804.07
PULPWOOD	ASPEN SPECIES	1,824.00	Cd	14.37	26,210.88
	MAPLE SPECIES	1,581.00	Cd	7.58	11,983.98
	BALSAM FIR	847.00	Cd	1.88	1,592.36
BIOMASS	ANY LISTED SPECIES (optional)	3,148.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 5,442.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 57,887.78
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 58,442.58
TOTAL ACRES SOLD: 348.8
SOLD TRACT NUMBER: 1
TOTAL NUMBER OF TRACTS SOLD: 1

SUMMARY FOR UNSOLD TRACTS

<u>PRODUCT</u>	<u>SPECIES</u>	<u>TOTAL VOLUME</u>	<u>UNIT</u>	<u>APPRAISED AVERAGE UNIT PRICE</u>	<u>APPRAISED \$ VALUE</u>
PULP & BOLTS	PAPER BIRCH	240.00	Cd	8.25	1,980.00
PULPWOOD	TREMBLING ASPEN	450.00	Cd	14.25	6,412.50
	SUGAR MAPLE	3,710.00	Cd	7.50	27,825.00
	BALSAM FIR	50.00	Cd	1.88	94.00
BIOMASS	ANY LISTED SPECIES (optional)	2,850.00	Tons	0.65	1,852.50

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 4,450.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 36,311.50
TOTAL ACRES UNSOLD: 209.4
UNSOLD TRACT NUMBER: 2
TOTAL NUMBER OF TRACTS UNSOLD: 1