



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
REGULAR AUCTION - SALE #1
ORAL BID

Notice is hereby given that I offered for sale at public auction in Willow River, MN at 10:00 AM on Thursday, January 11, 2024, timber belonging to the State of Minnesota. All tracts were offered at the General Andrews Nursery in Willow River, 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
SANDSTONE AREA

10:00 AM on January 11, 2024
General Andrews Nursery in Willow River, 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 January 11, 2025, at the following Area Headquarters: Sandstone Area.

TRACT B1 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 51.6

Permit Number: B015888
Expiration Date: 05/31/2027

Purchased By: CTP Chipping Inc.
Address: 53778 Fir Lane, Sandstone, MN 55072

NWNW,NWSW,SWNW of Section 12; NENE,NESE,NWSE,SENE,SWNE of Section 11 - Township 43, Range 17W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 50	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	1,300.00	Cd	15.20	19,760.00	22.80	29,640.00
+ BALSAM FIR	PULPWOOD	80.00	Cd	3.80	304.00	5.70	456.00
PAPER BIRCH	PULPWOOD	30.00	Cd	8.55	256.50	8.55	256.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$20,320.50	BID TOTAL = \$	30,352.50
				ADVANCE PAYMENT =	\$3,048.08		

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

ANY LISTED SPECIES BIOMASS 655.00 Tons 0.65 425.75

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 10%; Trembling Aspen 90%.

Season of Operations:

- Conduct sale operations on 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 due to oak wilt concerns, unless with written permission from State.

Sale Conditions:

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

Marketing Conditions:

Sale is located north of CR 32, either up creekview lane or through county land. Roughly 1/4 mile of swamp will need to be frozen down if coming through county land. Sale is made up of mature aspen and scattered balsam. If using a township road to access the permit, permittee must contact the appropriate township authorities prior to use.

Price Adjustments:

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

Appraiser:

Jacob Sivertson

TRACT B2 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 98.8

Permit Number: B015889
Expiration Date: 05/31/2027

Purchased By: CTP Chipping Inc.
Address: 53778 Fir Lane, Sandstone, MN 55072

NESE,SESE of Section 22; NESW,NWSW,SESW,SWSW of Section 23; NENW,NWNW of Section 26 -
Township 44, Range 17W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	1,568.00	Cd	15.20	23,833.60	15.20	23,833.60
+ MAPLE SPECIES	PULPWOOD	473.00	Cd	8.55	4,044.15	8.55	4,044.15
PAPER BIRCH	PULPWOOD	161.00	Cd	8.55	1,376.55	8.55	1,376.55
ASH	PULPWOOD	29.00	Cd	4.75	137.75	4.75	137.75

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$29,392.05 BID TOTAL = \$ 29,392.05
 ADVANCE PAYMENT = \$4,408.81

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

ANY LISTED SPECIES	BIOMASS	1,326.00	Tons	0.65	861.90
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Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 5%; Trembling Aspen 95%.
Maple Species Pulpwood includes: Red Maple 37%; Sugar Maple 63%.

Season of Operations:

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

Marketing Conditions:

The sale is located in the Nemadji State Forest off of the Aspen Rd. It is a clearcut consisting of mainly aspen.

The sale is about 14 miles East of Kerrick. It's approximately 6 miles to get from Hwy 23 to the beginning of the Park Forest Rd, and about 7 miles through the Nemadji (Park Rd and Aspen Rd) to get to the sale. There will be about a mile of road to improve.

Price Adjustments:

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

Appraiser:

Madelyn Doucette

TRACT B3

COUNTY: PINE

AREA: SANDSTONE AREA

ACRES: 48.1

Permit Number: B015890
Expiration Date: 05/31/2027

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

NESE,NWSE,SESE,SESW,SWSE of Section 2; NENW,NWNE,SENW,SWNE of Section 11 - Township 44, Range 17W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 98	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	1,080.00	Cd	16.78	18,122.40	33.22	35,877.60
+ RED MAPLE	PULPWOOD	65.00	Cd	9.45	614.25	18.71	1,216.15
PAPER BIRCH	PULP & BOLTS	35.00	Cd	15.33	536.55	15.33	536.55
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$19,273.20	
				ADVANCE PAYMENT =		\$2,890.98	
						BID TOTAL = \$ 37,630.30	

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

ANY LISTED SPECIES BIOMASS 547.00 Tons 0.65 355.55

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 1%; Largetooth Aspen 39%; Trembling Aspen 60%.

Mixed Product Description:

Paper Birch Pulp & Bolts includes: Bolts 70%; Pulpwood 30%.

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 due to oak wilt concerns, unless with written permission from State.

Sale Conditions:

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

Marketing Conditions:

Only the south 7 acre parcel is summer operable.

The site is mostly aspen, with more of a hardwood component to the southern block. The sale is located off the park forest road. The southern parcel has a trail right to it, and the northern block will require freezing swamp, or potential woods access with new road construction.

If using a township road to access the permit, permittee must contact the appropriate township authorities prior to use.

Price Adjustments:

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

Appraiser:

Jacob Sivertson

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

SANDSTONE 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: January 11, 2024

- SUMMARY SHEET -

01/11/2024 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 01/12/2024

SANDSTONE AREA

SUMMARY FOR <u>SOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	PAPER BIRCH	35.00	Cd	15.33	536.55
PULPWOOD	ASH	29.00	Cd	4.75	137.75
	ASPEN SPECIES	3,948.00	Cd	22.63	89,351.20
	PAPER BIRCH	191.00	Cd	8.55	1,633.05
	MAPLE SPECIES	473.00	Cd	8.55	4,044.15
	RED MAPLE	65.00	Cd	18.71	1,216.15
	BALSAM FIR	80.00	Cd	5.70	456.00
BIOMASS	ANY LISTED SPECIES (optional)	2,528.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 4,821.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 68,985.75
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 97,374.85
TOTAL ACRES SOLD: 198.5
TOTAL NUMBER OF TRACTS SOLD: 3