

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

STATUS: COMPLETED REGULAR AUCTION - SALE #1 ORAL BID

Notice is hereby given that I offered for sale at public auction in Baudette, MN at 9:00 AM on Tuesday, May 14, 2024, timber belonging to the State of Minnesota. All tracts were offered at the Baudette Forestry in Baudette, 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 DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

REGULAR AUCTION
ORAL BID TIMBER SALE
BAUDETTE AREA

9:00 AM on May 14, 2024 Baudette Forestry in Baudette, 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'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 May 14, 2025, at the following Area Headquarters: Baudette Area.

TRACT B1 COUNTY: KOOCHICHING AREA: BAUDETTE AREA ACRES: 60.7

Permit Number: B015959 Expiration Date: 05/31/2027

Purchased By:
Address:

NENE, NESW, NWNE, NWSE, NWSW, SENE, SENW, SWNE of Section 24 - Township 157, Range 29W.

					APPF	APPRAISED			
	SPECIES		PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	BLACK SPRUCE TAMARACK		PULPWOOD PULPWOOD	771.00 151.00		5.95 5.10	4,587.45 770.10	5.95 5.10	4,587.45 770.10
	+ BID SPECIES	*	SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$5,357.55 \$803.63	BID TOTA	AL = \$ 5,357.55

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

Marketing Conditions:

Sale is approximately 18 miles from MN 72 and 57 miles from International Falls.

Price Adjustments:

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

Stand Density: -5%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Riley Paul Dirckx

(Appraisal ID 19276-0; Cutting Block ID 22325-0)

TRACT B2 COUNTY: LAKE OF THE WOODS AREA: BAUDETTE AREA ACRES: 74.0

Permit Number: B015960 Expiration Date: 05/31/2028

Purchased By:
Address:

NESW, NWSE, SENW, SWNE of Section 18 - Township 157, Range 32W.

NESW, NWSW, SESW, SWSW of Section 9; SESE of Section 8 - Township 157, Range 33W.

					APPRAISED		BID:	
3	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	MIXED SPRUCE	PULP & BOLTS	1,395.00	Cd	9.76	13,615.20	9.76	13,615.20
	TAMARACK	PULPWOOD	40.00	Cd	4.80	192.00	4.80	192.00
-	∔ BID SPECIES	* SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$13,807.20 \$2,071.08	BID TOTAI	L = \$ 13,807.20

Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 99%; White Spruce 1%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 26%; Pulpwood 74%.

Cutting and Felling:

- Fell all live black spruce equal to or greater than 5 feet tall (Cutting Blocks 1 and 2).

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 state land (Cutting Block 1).
- Access is across tribal and state land (Cutting Block 2).
- Permission to cross tribal land must be obtained by permittee (Cutting Block 2).

Marketing Conditions:

22 miles secondary and 81 miles primary road to International Falls, MN.

20 miles secondary and 79 miles primary road to Bemidji, MN.

Black spruce is infected with mistletoe. Mortality pockets present

Tamarack is 70% live and 30% dead at time of cruise in March of 2024.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Tyler Hasbargen

(Appraisal ID 19262-0; Cutting Block ID 19890-0, 22331-0)

TRACT B3 COUNTY: KOOCHICHING AREA: BAUDETTE AREA ACRES: 51.0

Permit Number: B015961 Expiration Date: 05/31/2027

Purchased By: Packaging Corporation of America

Address: 400 Third Ave East, International Falls, MN 56649

NWSW of Section 14 - Township 158, Range 29W.

NWSW,SESW,SWNW,SWSW of Section 14; NESE,SENE,SESE of Section 15 - Township 158, Range 29W.

				APPRAISED		BID %: 0		
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE -	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASH	PULP & BOLTS	507.00	Cd	6.60	3,346.20	6.60	3,346.20
+	ASPEN SPECIES	PULP & BOLTS	256.00	Cd	14.77	3,781.12	14.77	3,781.12
	BALSAM FIR	PULPWOOD	103.00	Cd	4.00	412.00	4.00	412.00
+	MIXED SPRUCE	PULPWOOD	81.00	Cd	5.60	453.60	5.60	453.60
+	PAPER BIRCH	PULPWOOD	67.00	Cd	8.00	536.00	8.00	536.00
+	BID SPECIES * S	OLD ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$8,528.92	BID TOTA	L = \$ 8,528.92
			A	DVANCE	PAYMENT =	\$1,279.34		
Optional Timber (may be purchased with an Added Timber Agreement):								
	ANY LISTED SPECIES	S BIOMASS	511.00	Tons	0.65	332.15		

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 18%; Trembling Aspen 82%. Mixed Spruce Pulpwood includes: Black Spruce 99%; White Spruce 1%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 25%; Pulpwood 75%.

Aspen Species Pulp & Bolts includes: Bolts 75%; Pulpwood 25%.

Season of Operations:

- Conduct all harvest operations on frozen soil conditions only (Cutting Blocks 1 and 2).

Landings, Roads, and Trails:

- The Recreation trail may be used as access. DNR Forestry must be notified at least 5 working days before any sale operations take place, including clearing or access road construction. Ensure "Trucks Hauling" signs are prominently posted and maintained 200 feet beyond either side of any segment of any road or trail being temporarily used or crossed in conjunction with timber harvest operations. No logging equipment, wood piles, slash or logging debris will remain on the trail treadway and/or trail right-of-way during or after permit operations. Trail must be maintained wide enough to allow truck and ATV/snowmobile traffic to safely pass. The permittee must repair any trail damage attributable to timber harvest operations before the sale is finalized. Maintain at least 4" snow depth on all trail surfaces during sale activities while operating from Dec.1- March 31 (Cutting Blocks 1 and 2).
- Use only snow / ice in stream crossing (Cutting Blocks 1 and 2).

Sale Conditions:

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

Marketing Conditions:

27 miles to Baudette55 miles to International Falls92 miles to Bemidji

East branch of the Rapid River will need a snow or bridge crossing.

Price Adjustments:

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

05/14/2024 REGULAR AUCTION - SALE #1

Stand Density: -5%

Operational Constraints: -5% Other Price Factor: 0%

Appraiser:

Cody Allen Martin

(Appraisal ID 18831-0; Cutting Block ID 22376-0, 22379-0)

TRACT B4 COUNTY: KOOCHICHING AREA: BAUDETTE AREA ACRES: 121.7

Permit Number: B015962 Expiration Date: 05/31/2027

Purchased By: Packaging Corporation of America

Address: 400 Third Ave East, International Falls, MN 56649

NENE, SENE of Section 25 - Township 159, Range 28W.

GL04 of Section 19; GL01, GL02, NENW, NWNE, SENW of Section 30 - Township 159, Range 27W.

320 TO TOO GOOD TO, 320 T, 320 T, 320 T, 310 TO, TKINGS 27 TY.									
				APPRAISED			BID %: 25		
					UNIT		UNIT		
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE	
	+ ASPEN SPECIES	PULP & BOLTS	4,379.00	Cd	20.74	90,820.46	25.93	113,547.47	
	BALSAM FIR	PULPWOOD	357.00	Cd	5.50	1,963.50	5.50	1,963.50	
	PAPER BIRCH	PULPWOOD	94.00	Cd	11.00	1,034.00	11.00	1,034.00	
+ BID SPECIES * SOLD ON APPRAISED VOLUME		O ON APPRAISED VOLUME	APPRAISED TOTAL =			\$93,817.96	BID TOTAL	= \$ 116,544.97	
			Α	DVANCE	PAYMENT =	\$14,072.69			
Optional Timber (may be purchased with an Added Timber Agreement):									
	ANY LISTED SPECIES	BIOMASS	2,573.00	Tons	0.65	1,672.45			

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 5%; Trembling Aspen 95%.

Mixed Product Description:

Aspen Species Pulp & Bolts includes: Bolts 70%; Pulpwood 30%.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

48 miles from International Falls. 126 miles from Bemidji.

Price Adjustments:

Road Construction Costs: -5% Haul Distance to Nearest Mill: +5%

Stand Density: +10% Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Cody Allen Martin

(Appraisal ID 18696-0; Cutting Block ID 21647-0)

TRACT B5 COUNTY: LAKE OF THE WOODS AREA: BAUDETTE AREA ACRES: 53.7

Permit Number: B015963 Expiration Date: 05/31/2027

Purchased By: Packaging Corporation of America

Address: 400 Third Ave East, International Falls, MN 56649

SESE of Section 2; NENW, NWNW, SENW of Section 12; NENE of Section 11 - Township 159, Range 35W.

						AISED	BID %: 340		
_	DE0150		PROPUST	V0111145		UNIT	A \	UNIT	A \/A
8	PECIES		PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	JACK PINE		PULPWOOD	750.00	Cd	5.40	4,050.00	23.76	17,820.00
+	NORWAY PINE		PULP & BOLTS	185.00	Cd	12.15	2,247.75	53.46	9,890.10
	ASPEN SPECIES	3	PULPWOOD	30.00	Cd	17.02	510.60	17.02	510.60
	PAPER BIRCH		PULPWOOD	5.00	Cd	9.00	45.00	9.00	45.00
+ BID SPECIES		* SOLD	ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$6,853.35	BID TOTA	L = \$ 28,265.70
				А	DVANCE	PAYMENT =	\$1,028.00		

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

ANY LISTED SPECIES BIOMASS 490.00 Tons 0.65 318.50

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 3%; Trembling Aspen 97%.

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 25%; Pulpwood 75%.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Sale is located 20 miles south and west of Williams off the Faunce Butterfield road.15 miles of secondary forest road to tar. Approximately 107 miles to Bemidji and 108 to I'Falls

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Kevin G. Dorow

(Appraisal ID 19552-0; Cutting Block ID 21900-0)

TRACT B6 COUNTY: LAKE OF THE WOODS AREA: BAUDETTE AREA ACRES: 33.6

Permit Number: B015964 Expiration Date: 05/31/2027

Purchased By: Ferrier Logging Inc.

Address: 585 County RD 6 SW, Baudette, MN 56623

NESE, SESE of Section 23 - Township 160, Range 33W.

				APPRAISED		BID %: 105			
	SPECIES	PRODUCT	VOLUME UNIT	UNIT	\$ VALUE	UNIT	\$ VALUE		
+	NORWAY PINE	PULP & BOLTS	250.00 Cd	27.07	6,767.50	55.49	13,872.50		
→ BID SPECIES ★ SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$6,767.50 \$1,015.13	BID TOTA	L = \$ 13,872.50			
Optional Timber (may be purchased with an Added Timber Agreement):									
	ANY LISTED SPECII	ES BIOMASS	186.00 Tons	0.65	120.90				

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 75%; Pulpwood 25%.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Sale is located 1 miles south of county road 3 and off the county road to the west of the landfill. 1 mile secondary road to primary road.

Approximately: 112 miles to Bemidji, 84 miles to l'Falls

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0%

Stand Density: -5%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Kevin G. Dorow

(Appraisal ID 19260-0; Cutting Block ID 22583-0)

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

BAUDETTE 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: May 14, 2024

BAUDETTE AREA

	SUMMARY FOR <u>SOLD</u> TRACTS								
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE				
PULP & BOLTS	ASH	507.00	Cd	6.60	3,346.20				
	ASPEN SPECIES	4,635.00	Cd	25.31	117,328.59				
	NORWAY PINE	435.00	Cd	54.63	23,762.60				
PULPWOOD	ASPEN SPECIES	30.00	Cd	17.02	510.60				
	PAPER BIRCH	166.00	Cd	9.73	1,615.00				
	JACK PINE	750.00	Cd	23.76	17,820.00				
	BALSAM FIR	460.00	Cd	5.16	2,375.50				
	MIXED SPRUCE	81.00	Cd	5.60	453.60				
BIOMASS	ANY LISTED SPECIES (optional)	3,760.00	Tons	-	0.00				

TOTAL SOLD TRACTS CONVERTED TO CORDS: 7,064.00

TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 115,967.73

TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 167,212.09

TOTAL ACRES SOLD: 260.0

SOLD TRACT NUMBERS: 3, 4, 5, 6

TOTAL NUMBER OF TRACTS SOLD: 4

SUMMARY FOR <u>UNSOLD</u> TRACTS								
		TOTAL		APPRAISED AVERAGE	APPRAISED			
PRODUCT	SPECIES	VOLUME	UNIT	UNIT PRICE	\$ VALUE			
PULP & BOLTS	MIXED SPRUCE	1,395.00	Cd	9.76	13,615.20			
PULPWOOD	BLACK SPRUCE	771.00	Cd	5.95	4,587.45			
	TAMARACK	191.00	Cd	5.04	962.10			

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 2,357.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 19,164.75
TOTAL ACRES UNSOLD: 134.7
UNSOLD TRACT NUMBERS: 1, 2

TOTAL NUMBER OF TRACTS UNSOLD: 2