

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 Wednesday, May 15, 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 DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

REGULAR AUCTION
ORAL BID TIMBER SALE
SANDSTONE AREA

10:00 AM on May 15, 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'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 15, 2025, at the following Area Headquarters: Sandstone Area.

TRACT B1 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 98.1

Permit Number: B015954 Expiration Date: 05/31/2028

Purchased By: Futurewood Corp

Address: 9676 N Kruger Rd, Hayward, WI 54843

NENW,NESW,NWNE,NWNW,NWSE,NWSW,SENW,SWNE,SWNW,SWSW of Section 25; NESE of Section

26 - Township 39, Range 20W.

1,200.00	UNIT Cd	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
,	Cd	40.00			, <u>.</u>
	Ou	13.60	16,320.00	13.60	16,320.00
980.00	Cd	14.24	13,955.20	14.24	13,955.20
235.00	Cd	4.25	998.75	4.25	998.75
230.00	Cd	7.65	1,759.50	7.65	1,759.50
55.00	Cd	12.84	706.20	12.84	706.20
			\$33,739.65 \$5,060.95	BID TOTAL	L = \$ 33,739.65
=	230.00 55.00	APPRAI	230.00 Cd 7.65 55.00 Cd 12.84	230.00 Cd 7.65 1,759.50 55.00 Cd 12.84 706.20 APPRAISED TOTAL = \$33,739.65	230.00 Cd 7.65 1,759.50 7.65 55.00 Cd 12.84 706.20 12.84 APPRAISED TOTAL = \$33,739.65 BID TOTAL

1,525.00 Tons

0.65

991.25

Mixed Species Description:

ANY LISTED SPECIES

Aspen Species Pulpwood includes: Largetooth Aspen 5%; Trembling Aspen 95%.

Mixed Product Description:

Bur Oak Pulp & Bolts includes: Bolts 25%; Pulpwood 75%.

Northern Pin Oak Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

BIOMASS

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 land.

Marketing Conditions:

Sale is located east of Pine City Minnesota off of the Chengwatana Forest Road. A half mile to a mile of swamp will need to be frozen down to access the sale, depending on which direction the permittee decides to enter the sale from.

Sale price will be adjusted based on stand density +5%, haul distance -10%, and operational constraints -10% with a net of -15% off of the base price.

Price Adjustments:

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

Stand Density: +5%

Operational Constraints: -10% Other Price Factor: 0%

Appraiser:

Cody Crawford

TRACT B2 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 77.3

Permit Number: B015955 Expiration Date: 05/31/2028

Purchased By: Sappi Cloquet LLC

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

NESE,NWSE,SESE,SWSE of Section 2; NENW,NWNE of Section 11 - Township 41, Range 17W.

	SPECIES	PRODUCT	VOLUME	UNIT	APPR UNIT PRICE	AISED .	BID UNIT PRICE	%: 169 \$ VALUE
	SPECIES	PRODUCT	VOLUNE	UNIT	_ <u> </u>	T VALUE	PRICE .	→ VALUE
+	ASPEN SPECIES	S PULPWOOD	979.00	Cd	14.38	14,078.02	38.68	37,867.72
+	RED MAPLE	PULPWOOD	451.00	Cd	8.10	3,653.10	21.79	9,827.29
+	BASSWOOD	PULPWOOD	107.00	Cd	5.40	577.80	14.53	1,554.71
+	PAPER BIRCH	PULPWOOD	85.00	Cd	8.10	688.50	21.79	1,852.15
	BALSAM FIR	PULPWOOD	15.00	Cd	3.60	54.00	3.60	54.00
	+ BID SPECIES	* SOLD ON APPRAISED VOLUME			ISED TOTAL = E PAYMENT =	\$19,051.42 \$2,857.71	BID TOTA	L = \$ 51,155.87

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

ANY LISTED SPECIES BIOMASS 805.00 Tons 0.65 523.25

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 1%; Largetooth Aspen 54%; Trembling Aspen 45%.

Season of Operations:

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

Marketing Conditions:

Best access is from the MLT, south of the Tamarack Forest Rd.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: -10% Other Price Factor: 0%

Appraiser:

Wade Krueger

(Appraisal ID 19448-0; Cutting Block ID 22358-0)

TRACT B3 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 22.1

Permit Number: B015956 Expiration Date: 05/31/2028

Purchased By: Titan Forestry LLC

Address: 6764 Henriette Road, Grasston, MN 55030

NENE of Section 16 - Township 43, Range 17W.

SESE, SESW, SWSE of Section 9; NENE, SENE of Section 16 - Township 43, Range 17W.

		APPRAISED			BID %: 0			
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	S PULPWOOD	555.00	Cd	12.78	7,092.90	12.78	7,092.90
	PAPER BIRCH	PULPWOOD	75.00	Cd	7.20	540.00	7.20	540.00
	RED MAPLE	PULPWOOD	20.00	Cd	7.20	144.00	7.20	144.00
	ASH	PULPWOOD	10.00	Cd	4.00	40.00	4.00	40.00
	+ BID SPECIES	* SOLD ON APPRAISED VOLUME		APPRA	AISED TOTAL =	\$7,816.90	BID TOTA	AL = \$ 7,816.90
			A	DVANO	E PAYMENT =	\$1,172.54		

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

ANY LISTED SPECIES BIOMASS 305.00 Tons 0.65 198.25

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 1%; Largetooth Aspen 1%; Trembling Aspen 98%.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State (Cutting Blocks 1 and 2).
- Frozen ground access only (Cutting Block 2).
- Frozen ground access across state or private land (Cutting Block 2).

Sale Conditions:

- Access is across state land (Cutting Block 1).
- Access is across state and/or private land (Cutting Block 2).
- Access crosses Public Waters. A Permit is not required if using a snow / ice bridge (Cutting Block 2).

Marketing Conditions:

Cutting Block 1 is located on the Creekview MMR approximately 1.8 miles north of Rutabaga Rd.

Cutting Block 2 is located approximately 550 ft West of Creekview MMR 1.8 miles north of Rutabaga Rd and requires either a crossing of the Lower Tamarack River or permission to cross private lands. Private landowner may be interested in a possible sale on adjacent land.

Prices reduced a further 15% for reoffer, for a net 20% reduction from base prices.

4 Year sale term due to winter access.

Price Adjustments:

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

Stand Density: +5%

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

Appraiser:

Andrew J. Kett

TRACT B4 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 40.0

Permit Number: B015957 Expiration Date: 05/31/2028

Purchased By:
Address:

NESW,NWSW,SESW,SWSW of Section 25 - Township 44, Range 16W.

9	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	RAISED \$ VALUE	BID: UNIT PRICE	\$ VALUE
+	WHITE SPRUCE	PULP & BOLTS	1,020.00	Cd	8.85	9,027.00	8.85	9,027.00
+	ASPEN SPECIES	PULPWOOD	120.00	Cd	12.00	1,440.00	12.00	1,440.00
	RED MAPLE	PULPWOOD	30.00	Cd	6.75	202.50	6.75	202.50
	BALSAM FIR	PULPWOOD	20.00	Cd	3.00	60.00	3.00	60.00
	PAPER BIRCH	PULPWOOD	20.00	Cd	6.75	135.00	6.75	135.00
+	▶ BID SPECIES	* SOLD ON APPRAISED VOLUME			SED TOTAL =	\$10,864.50 \$1,629.68	BID TOTA	L = \$ 10,864.50

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

ANY LISTED SPECIES BIOMASS 668.68 Tons 0.65 434.64

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 75%; Trembling Aspen 25%.

Mixed Product Description:

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.

Sale Conditions:

- Access is across State land.
- Harvest activities may only occur October 16th-April 14th due to species of concern in the area.

Marketing Conditions:

Sale is located on the NW corner of the Belden FR and Park FR intersection.

Base Price increased 5% due to stand density, decreased 10% for haul distance and decreased 5% for operational constraints, resulting in a 10% net decrease in base prices.

Sale being reoffered and base price lowered another -15%, netting a -25% decrease in base prices.

Price Adjustments:

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

Stand Density: +5%

Operational Constraints: -5% Other Price Factor: -15% (Reoffer)

Appraiser:

Cody Crawford

(Appraisal ID 19062-0; Cutting Block ID 22075-0)

TRACT B5 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 20.6

Permit Number: B015958 Expiration Date: 05/31/2028

Purchased By:
Address:

NENE, SENE, SWNE of Section 34; NWNW of Section 35 - Township 44, Range 17W.

S	SPECIES	PRODUCT	VOLUME	UNIT	APPR UNIT PRICE	\$ VALUE	BID: UNIT PRICE	\$ VALUE
+	MAPLE SPECIES	PULP & BOLTS	285.00	Cd	10.26	2,924.10	10.26	2,924.10
+	ASPEN SPECIES	PULPWOOD	60.00	Cd	14.40	864.00	14.40	864.00
+	BASSWOOD	PULP & BOLTS	45.00	Cd	6.48	291.60	6.48	291.60
+	PAPER BIRCH	PULP & BOLTS	40.00	Cd	10.98	439.20	10.98	439.20
+	RED OAK	PULP & BOLTS	25.00	Cd	16.07	401.75	16.07	401.75
	ASH	PULP & BOLTS	3.00	Cd	5.22	15.66	5.22	15.66
+	- BID SPECIES	* SOLD ON APPRAISED VOLUME			ISED TOTAL = E PAYMENT =	\$4,936.31 \$740.45	BID TOTA	AL = \$ 4,936.31

Mixed Species Description:

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

Maple Species Pulp & Bolts includes: Red Maple 60%; Sugar Maple 40%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.
Basswood Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.
Maple Species Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.
Paper Birch Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
Red Oak Pulp & Bolts includes: Bolts 35%; Pulpwood 65%.

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

Marketing Conditions:

Sale is located east of Bruno MN. Existing road is put in all the way to the site. Roughly 3/4 of a mile shares a snowmobile trail.

Site is mostly made up of red and sugar maple, with other hardwood species.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Jacob Sivertson

05/15/2024 REGULAR AUCTION - SALE #1

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: May 15, 2024

SANDSTONE AREA

SUMMARY FOR <u>SOLD</u> TRACTS									
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE				
PULP & BOLTS	NORTHERN PIN OAK	55.00	Cd	12.84	706.20				
	BUR OAK	980.00	Cd	14.24	13,955.20				
PULPWOOD	ASH	245.00	Cd	4.24	1,038.75				
	ASPEN SPECIES	2,734.00	Cd	22.41	61,280.62				
	PAPER BIRCH	160.00	Cd	14.95	2,392.15				
	RED MAPLE	701.00	Cd	16.73	11,730.79				
	BASSWOOD	107.00	Cd	14.53	1,554.71				
	BALSAM FIR	15.00	Cd	3.60	54.00				
BIOMASS	ANY LISTED SPECIES (optional)	2,635.00	Tons	-	0.00				

TOTAL SOLD TRACTS CONVERTED TO CORDS: 4,997.00

TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$60,607.97

TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$92,712.42

TOTAL ACRES SOLD: 197.5

SOLD TRACT NUMBERS: 1, 2, 3

TOTAL NUMBER OF TRACTS SOLD: 3

SUMMARY FOR <u>UNSOLD</u> TRACTS								
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE			
PULP & BOLTS	ASH	3.00	Cd	5.22	15.66			
	PAPER BIRCH	40.00	Cd	10.98	439.20			
	MAPLE SPECIES	285.00	Cd	10.26	2,924.10			
	BASSWOOD	45.00	Cd	6.48	291.60			
	RED OAK	25.00	Cd	16.07	401.75			
	WHITE SPRUCE	1,020.00	Cd	8.85	9,027.00			
PULPWOOD	ASPEN SPECIES	180.00	Cd	12.80	2,304.00			
	PAPER BIRCH	20.00	Cd	6.75	135.00			
	RED MAPLE	30.00	Cd	6.75	202.50			
	BALSAM FIR	20.00	Cd	3.00	60.00			
BIOMASS	ANY LISTED SPECIES (optional)	668.68	Tons	0.65	434.64			

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 1,668.00

TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 15,800.81

TOTAL ACRES UNSOLD: 60.6

UNSOLD TRACT NUMBERS: 4,5

TOTAL NUMBER OF TRACTS UNSOLD: 2