

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 Friday, May 17, 2024, 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 May 17, 2024 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 May 17, 2025, at the following Area Headquarters: Cloquet Area.

TRACT B1 COUNTY: CARLTON

AREA: CLOQUET AREA

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ACRES: 97.6
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Permit Number: B015965 Expiration Date: 05/31/2027

Purchased By: CTP Chipping Inc.

Address: 53778 Fir Lane, Sandstone, MN 55072

NENW, NESW, NWNW, NWSW, SENW, SWNW, SWSW of Section 16 - Township 47, Range 17W.

| | | | | | APPRAISED | | BID %: 41 | |
|---|---------------------|---------------------------------------|----------|-----------------------|---------------|-----------------------------|---------------|-------------------|
| | SPECIES | PRODUCT | VOLUME | | UNIT PRICE | \$ VALUE | UNIT PRICE | \$ VALUE |
| + | ASPEN SPECIES | PULPWOOD | 1,611.00 | Cd | 23.75 | 38,261.25 | 33.49 | 53,952.39 |
| + | NORWAY PINE | WOODSRUN SAWTIMBER (SOFTWOOD ONLY) | 1,521.00 | Cd | 66.25 | 100,766.25 | 93.41 | 142,076.61 |
| + | PAPER BIRCH | PULP & BOLTS | 271.00 | Cd | 19.38 | 5,251.98 | 27.33 | 7,406.43 |
| + | BALSAM FIR | PULPWOOD | 190.00 | Cd | 6.25 | 1,187.50 | 8.81 | 1,673.90 |
| + | RED MAPLE | PULPWOOD | 160.00 | Cd | 12.50 | 2,000.00 | 17.63 | 2,820.80 |
| | WHITE SPRUCE | PULP & BOLTS | 29.00 | Cd | 23.63 | 685.27 | 23.63 | 685.27 |
| | + BID SPECIES * SOL | D ON APPRAISED VOLUME | | APPRAISE ADVANCE F | | \$148,152.25 \$22,222.84 | BID TOTAL | . = \$ 208,615.40 |

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

| ANY LISTED SPECIES BIOMASS | 2,150.00 Tons | 0.65 | 1,397.50 |
|----------------------------|---------------|------|----------|
|----------------------------|---------------|------|----------|

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 20%; Trembling Aspen 80%.

Mixed Product Description:

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 30%; Pulpwood 10%; Sawtimber (Softwood Only) 60%. Paper Birch Pulp & Bolts includes: Bolts 55%; Pulpwood 45%.

White Spruce Pulp & Bolts includes: Bolts 55%; Pulpwood 45%.

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.

Marketing Conditions:

Sale is adjacent to an appraised 2nd rotation Norway pine thinning as well as a conifer salvage clear-cut (as shown on map).

Avenza/digital map available upon request.

Price Adjustments:

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

Appraiser:

Joshua C. Muchow

TRACT B2 COUNTY: CARLTON

AREA: CLOQUET AREA

Permit Number: B015966 Expiration Date: 05/31/2028

Purchased By: Sappi Cloquet LLC

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

NWSW,SESW,SWSW of Section 10; NENW,NESW,NWNW,NWSW,SENW,SWNW of Section 15; NENE,NENW,NESE,NWNE,NWSE,SENE,SENW,SWNE of Section 16; SESE,SWSE of Section 9 - Township 48, Range 19W.

| | | | | | APPR | AISED | BID | %: 0 |
|---|---------------|---------------------------------------|----------|------|--------------------------|-----------------------------|-----------|-------------------|
| | | | | | UNIT | | UNIT | |
| - | SPECIES | PRODUCT | VOLUME | UNIT | PRICE | \$ VALUE | PRICE | \$ VALUE |
| + | ASPEN SPECIES | PULPWOOD | 5,530.00 | Cd | 22.66 | 125,309.80 | 22.66 | 125,309.80 |
| + | ASH | PULPWOOD | 1,540.00 | Cd | 7.20 | 11,088.00 | 7.20 | 11,088.00 |
| + | MAPLE SPECIES | PULPWOOD | 1,450.00 | Cd | 12.00 | 17,400.00 | 12.00 | 17,400.00 |
| + | PAPER BIRCH | PULP & BOLTS | 1,300.00 | Cd | 18.00 | 23,400.00 | 18.00 | 23,400.00 |
| | BASSWOOD | PULP & BOLTS | 400.00 | Cd | 13.44 | 5,376.00 | 13.44 | 5,376.00 |
| | WHITE SPRUCE | WOODSRUN SAWTIMBER (SOFTWOOD ONLY) | 200.00 | Cd | 44.40 | 8,880.00 | 44.40 | 8,880.00 |
| | NORWAY PINE | WOODSRUN SAWTIMBER (SOFTWOOD ONLY) | 20.00 | Cd | 63.60 | 1,272.00 | 63.60 | 1,272.00 |
| | AMERICAN ELM | PULPWOOD | 1.00 | Cd | 8.40 | 8.40 | 8.40 | 8.40 |
| | BALSAM FIR | PULPWOOD | 1.00 | Cd | 6.00 | 6.00 | 6.00 | 6.00 |
| | TAMARACK | PULPWOOD | 1.00 | Cd | 7.20 | 7.20 | 7.20 | 7.20 |
| - | + BID SPECIES | * SOLD ON APPRAISED VOLUME | | | SED TOTAL = PAYMENT = | \$192,747.40 \$28,912.11 | BID TOTAL | . = \$ 192,747.40 |

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

| ANY LISTED SPECIES | BIOMASS | 5,230.00 | Tons | 0.65 | 3,399.50 |
|--------------------|---------|----------|------|------|----------|
| | | | | | |

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 4%; Trembling Aspen 96%. Maple Species Pulpwood includes: Red Maple 85%; Sugar Maple 15%.

Mixed Product Description:

Basswood Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Sawtimber (Softwood Only) 100%.

Paper Birch Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.

White Spruce Woodsrun Sawtimber (Softwood only) includes: Sawtimber (Softwood Only) 100%.

Season of Operations:

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

Sale Conditions:

- Access is across State land or private land.

Marketing Conditions:

Best access likely uses a system of winter roads running to the northeast out to highway 210. Depending on route used, permission from private may be needed.

Sale is in a sharptail management area, so all snags and merchantable timber are encouraged to be felled. Operators encouraged to knock down as much sub-merchantable timber as possible. This does not apply to the 20 year old aspen stand (see map and harvest specs).

This permit contains ash as a harvest species and at the time of this sale is not within the Ash quarantine area. An MDA Compliance Agreement will be required to transport ash outside of the quarantine area if this area is within the quarantine area at the time of harvest.

Price Adjustments:

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

Appraiser:

Benjamin I. Becker

(Appraisal ID 19383-0; Cutting Block ID 22262-0)

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: May 17, 2024

CLOQUET AREA

| SUMMARY FOR SOLD TRACTS | | | | | | | | |
|---|-------------------------------|-----------------|------|-------------------------------|---------------------------|--|--|--|
| PRODUCT | SPECIES | TOTAL VOLUME | UNIT | SOLD AVERAGE UNIT PRICE | TOTAL SOLD \$ VALUE | | | |
| PULP & BOLTS | PAPER BIRCH | 1,571.00 | Cd | 14.89 | 23,400.00 | | | |
| | BASSWOOD | 400.00 | Cd | 13.44 | 5,376.00 | | | |
| | WHITE SPRUCE | 29.00 | Cd | - | 0.00 | | | |
| PULPWOOD | ASH | 1,540.00 | Cd | 7.20 | 11,088.00 | | | |
| | AMERICAN ELM | 1.00 | Cd | 8.40 | 8.40 | | | |
| | ASPEN SPECIES | 7,141.00 | Cd | 17.55 | 125,309.80 | | | |
| | MAPLE SPECIES | 1,450.00 | Cd | 12.00 | 17,400.00 | | | |
| | RED MAPLE | 160.00 | Cd | - | 0.00 | | | |
| | BALSAM FIR | 191.00 | Cd | 0.03 | 6.00 | | | |
| | TAMARACK | 1.00 | Cd | 7.20 | 7.20 | | | |
| BIOMASS | ANY LISTED SPECIES (optional) | 7,380.00 | Tons | - | 0.00 | | | |
| WOODSRUN SAWTIMBER | NORWAY PINE | 1,541.00 | Cd | 0.83 | 1,272.00 | | | |
| (SOFTWOOD ONLY) | WHITE SPRUCE | 200.00 | Cd | 44.40 | 8,880.00 | | | |
| TOTAL SOLD TRACTS CONVERTED TO CORDS: 14,225.00 TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 340,899.65 TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 192,747.40 TOTAL ACRES SOLD: 429.6 | | | | | | | | |

TOTAL NUMBER OF TRACTS SOLD: 2