

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

LITTLEFORK AREA

STATUS: COMPLETED REGULAR AUCTION - SALE #1 ORAL BID

Notice is hereby given that I offered for sale at public auction in Littlefork, MN at 9:00 AM on Thursday, May 23, 2024, timber belonging to the State of Minnesota. All tracts were offered at the Littlefork Community Building in Littlefork, 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 LITTLEFORK AREA

9:00 AM on May 23, 2024 Littlefork Community Building in Littlefork, 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 23, 2025, at the following Area Headquarters: Littlefork Area.

TRACT B1 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

ACRES: 129.1

Permit Number: B015975 Expiration Date: 05/31/2027

Purchased By: Packaging Corporation of America Address: 400 Third Ave East, International Falls, MN 56649

NENE,NESE,NWNE,SENE,SWNE of Section 8; SESE,SWSE of Section 5; NENW,NWNW,NWSW,SENW,SWNW of Section 9 - Township 65, Range 26W.

						APPRAISED		%: 130
					UNIT		UNIT	
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	MIXED SPRUCE	PULP & BOLTS	3,100.00	Cd	17.01	52,731.00	39.12	121,272.00
+	JACK PINE	PULP & BOLTS	210.00	Cd	14.70	3,087.00	33.81	7,100.10
	TAMARACK	PULP & BOLTS	120.00	Cd	8.19	982.80	8.19	982.80
	PAPER BIRCH	PULPWOOD	60.00	Cd	10.50	630.00	10.50	630.00
	BALSAM FIR	PULPWOOD	35.00	Cd	5.25	183.75	5.25	183.75
	BALM OF GILEAD	PULPWOOD	5.00	Cd	16.80	84.00	16.80	84.00
_	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$57,698.55 \$8,654.78	BID TOTAL	. = \$ 130,252.65

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

BIOMASS 12,000.00 Tons 0.68 8,160.00	
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Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 60%; White Spruce 40%.

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 40%; Pulpwood 60%. Mixed Spruce Pulp & Bolts includes: Bolts 40%; Pulpwood 60%. Tamarack Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

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

Marketing Conditions:

From the end of the Gordon minimum maintenance road travel approximately 1.1 miles on an established trail. Best access is through private. There are established grades throughout the sale. Winter access only.

Price Adjustments:

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

Appraiser:

Dylan J. Trent

TRACT B2 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

ACRES: 25.5

Permit Number: B015976 Expiration Date: 05/31/2027

> Purchased By: Potlatch Deltic Land & Lumber, LLC Address: 50518 Co Rd 45, Bemidji, MN 56601

GL03,GL04 of Section 18 - Township 66, Range 26W. NESE of Section 13 - Township 66, Range 27W.

				APPRAISED		BID %: 40			
	SPECIES		PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	NORWAY PINE		WOODSRUN SAWTIMBER	1,120.00	Cd	53.20	59,584.00	74.48	83,417.60
	JACK PINE		PULP & BOLTS	200.00	Cd	13.80	2,760.00	13.80	2,760.00
	MIXED SPRUCE		PULP & BOLTS	20.00	Cd	24.84	496.80	24.84	496.80
	ASPEN SPECIES	S	PULPWOOD	7.00	Cd	21.82	152.74	21.82	152.74
-	+ BID SPECIES		SOLD ON APPRAISED VOLUME		APPRAISED TOTAL = ADVANCE PAYMENT =		\$62,993.54 \$9,449.03	BID TOTAI	L = \$ 86,827.14

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

ANY LISTED SPECIES BIO	IOMASS	708.00 Tons	0.65	460.20
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Mixed Species Description:

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

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 30%; Pulpwood 70%. Mixed Spruce Pulp & Bolts includes: Bolts 70%; Pulpwood 30%. Norway Pine Woodsrun Sawtimber includes: Bolts 12%; Pulpwood 10%; Sawtimber (Softwood Only) 78%.

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.

Marketing Conditions:

Sale is located four miles east of Big Falls, MN off of county road 31. Sale contains a thinning and final harvest area, and is summer chance harvestable.

Price Adjustments:

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

Appraiser:

Brenden Marcus Williams

(Appraisal ID 18874-0; Cutting Block ID 21865-0)

TRACT B3 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

ACRES: 12.5

Permit Number: B015977 Expiration Date: 05/31/2027

Purchased By: Kennedy Logging Inc.

Address: 4370 County Road 90 East, International Falls, MN 56649

SESE of Section 36 - Township 156, Range 25W.

	APPRAISED		AISED	BID %: 0				
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	MIXED SPRUCE	PULPWOOD	370.00	Cd	10.35	3,829.50	10.35	3,829.50
	JACK PINE	PULP & BOLTS	20.00	Cd	9.20	184.00	9.20	184.00
	TAMARACK	PULPWOOD	20.00	Cd	6.90	138.00	6.90	138.00
	ASPEN SPECIES	PULPWOOD	5.00	Cd	21.85	109.25	21.85	109.25
	PAPER BIRCH	PULPWOOD	5.00	Cd	11.50	57.50	11.50	57.50
-	+ BID SPECIES * SOLD ON APPRAISED VOLUME APPRAISED TOTAL = \$4,318.25 BID TOTAL = \$4,318.25 ADVANCE PAYMENT = \$647.74							

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

ANY LISTED SPECIES	BIOMASS	160.00 Tons	0.65	104.00

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 1%; Trembling Aspen 99%. Mixed Spruce Pulpwood includes: Black Spruce 99%; White Spruce 1%.

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

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 county land. Best access is across private land.
- Permission to cross county and private land must be obtained by permittee.

Marketing Conditions:

Sale is located 2 miles south of the start of the Wisner on highway 71, and approximately 1.85 miles west. Best access is through a private gate off of the highway.

Price Adjustments:

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

Appraiser:

Chad Robert Wennerstrand

TRACT B4 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

Permit Number: B015978 Expiration Date: 05/31/2027

Purchased By: Potlatch Deltic Land & Lumber, LLC

Address: 50518 Co Rd 45, Bemidji, MN 56601

GL05 of Section 26; GL07, SESW, SWSE of Section 24; NWNW of Section 25 - Township 156, Range 28W.

					APPRAISED		BID %: 45	
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	NORWAY PINE	WOODSRUN MIXED PRODUCTS	1,310.00	Cd	42.14	55,203.40	61.10	80,041.00
	BALSAM FIR	PULP & BOLTS	280.00	Cd	8.29	2,321.20	8.29	2,321.20
	TREMBLING ASPEN	PULPWOOD	155.00	Cd	21.85	3,386.75	21.85	3,386.75
	PAPER BIRCH	PULPWOOD	110.00	Cd	11.50	1,265.00	11.50	1,265.00
	JACK PINE	PULP & BOLTS	40.00	Cd	27.60	1,104.00	27.60	1,104.00
	WHITE SPRUCE	PULP & BOLTS	35.00	Cd	25.90	906.50	25.90	906.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME		APPRAISED TOTAL = ADVANCE PAYMENT =		\$64,186.85 \$9,628.03	BID TOTAL = \$ 89,024.45			

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

ANY LISTED SPECIES	BIOMASS	1,010.00 Tons	0.65	656.50
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Mixed Product Description:

Balsam Fir Pulp & Bolts includes: Bolts 13%; Pulpwood 87%.

Jack Pine Pulp & Bolts includes: Bolts 90%; Pulpwood 10%.

Norway Pine Woodsrun Mixed Products includes: Bolts 52%; Pulpwood 16%; Sawtimber (Softwood Only) 32%. White Spruce Pulp & Bolts includes: Bolts 44%; Pulpwood 36%; Sawtimber (Softwood Only) 20%.

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.

Marketing Conditions:

Sale is approximately 9 miles down the Pine Island, 24 Miles from Bigfalls. There is a hunter walking trail that stretches through the entirety of the sale, that will need to be open and free of debris before operations can be completed. Approximately 20 acres is final harvest, the remaining is marked to cut.

Price Adjustments:

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

Appraiser:

Thomas Jay Knaak

(Appraisal ID 18344-0; Cutting Block ID 21289-0)

TRACT B5 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

Permit Number: B015979 Expiration Date: 05/31/2027

Purchased By: Packaging Corporation of America Address: 400 Third Ave East, International Falls, MN 56649

NESW,NWNW,NWSW,SESE,SESW,SWNW,SWSE,SWSW of Section 8; NENE,NWNE of Section 17; NENE,NENW,NESE,NESW,NWNE,NWSE,SENE,SENW,SESE,SWNE of Section 7 - Township 157, Range 26W.

					APPR	APPRAISED		%: 20
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	PULP & BOLTS	7,400.00	Cd	22.62	167,388.00	27.14	200,836.00
	BALSAM FIR	PULPWOOD	530.00	Cd	6.00	3,180.00	6.00	3,180.00
	ASH	PULPWOOD	400.00	Cd	7.20	2,880.00	7.20	2,880.00
	MIXED SPRUCE	PULPWOOD	400.00	Cd	10.80	4,320.00	10.80	4,320.00
	PAPER BIRCH	PULPWOOD	160.00	Cd	12.00	1,920.00	12.00	1,920.00
	WHITE CEDAR	PULPWOOD	60.00	Cd	7.20	432.00	7.20	432.00
	TAMARACK	PULPWOOD	15.00	Cd	7.20	108.00	7.20	108.00
+	BID SPECIES	★ SOLD ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$180,228.00 \$27,034.20	BID TOTAL	- = \$ 213,676.00

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

ANY LISTED SPECIES	BIOMASS	5,300.00 Tons	0.65	3,445.00
		-,		

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 5%; Trembling Aspen 95%. Mixed Spruce Pulpwood includes: Black Spruce 10%; White Spruce 90%.

Mixed Product Description:

Aspen Species Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Sale is approximately 6 miles from red barn bridge on forest roads. Approximately 65 acres of sale is first entry white spruce thinning. The remaining 216 acres is primarily aspen clear-cut with reserves, and pockets of ash thinnings.

Price Adjustments:

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

Appraiser:

Bill C. Alleman

TRACT B6 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

ACRES: 19.7

Permit Number: B015980 Expiration Date: 05/31/2027

Purchased By: Lester Schrock

Address: 3510 Co Rd 1, Littlefork, MN 56653

SENW, SWNE of Section 25 - Township 158, Range 25W.

				APPRAISED		BID %: 0			
0	SPECIES		PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	MIXED SPRUCE		PULPWOOD	607.00	Cd	9.00	5,463.00	9.00	5,463.00
	TAMARACK		PULPWOOD	40.00	Cd	6.00	240.00	6.00	240.00
+	BID SPECIES	*	SOLD ON APPRAISED VOLUME	F		SED TOTAL = E PAYMENT =	\$5,703.00 \$855.45	BID TOTA	L = \$ 5,703.00

Optional Timber (may be purchased with an Added Timber Agreement):ANY LISTED SPECIESBIOMASS292.00Tons0.65189.80

Mixed Species Description:

Mixed Spruce Pulpwood includes: Black Spruce 99%; White Spruce 1%.

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

Marketing Conditions:

Tamarack may not have many years before its condition has deteriorated. Best access is form the north near Lowman though private approximately 2 miles, or from county road 1 down the powerline and then south about 3.5 miles.

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: +5% Stand Density: +10% Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Bill C. Alleman

(Appraisal ID 19153-0; Cutting Block ID 22040-0)

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

LITTLEFORK 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 23, 2024

LITTLEFORK AREA

SUMMARY FOR SOLD TRACTS											
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE						
PULP & BOLTS	ASPEN SPECIES	7,400.00	Cd	27.14	200,836.00						
	JACK PINE	470.00	Cd	23.72	11,148.10						
	WHITE SPRUCE	35.00	Cd	25.90	906.50						
	BALSAM FIR	280.00	Cd	8.29	2,321.20						
	TAMARACK	120.00	Cd	8.19	982.80						
	MIXED SPRUCE	3,120.00	Cd	39.03	121,768.80						
WOODSRUN MIXED PRODUCTS	NORWAY PINE	1,310.00	Cd	61.10	80,041.00						
WOODSRUN SAWTIMBER	NORWAY PINE	1,120.00	Cd	74.48	83,417.60						
PULPWOOD	ASH	400.00	Cd	7.20	2,880.00						
	ASPEN SPECIES	12.00	Cd	21.83	261.99						
	TREMBLING ASPEN	155.00	Cd	21.85	3,386.75						
	PAPER BIRCH	335.00	Cd	11.56	3,872.50						
	BALM OF GILEAD	5.00	Cd	16.80	84.00						
	BALSAM FIR	565.00	Cd	5.95	3,363.75						
	TAMARACK	75.00	Cd	6.48	486.00						
	WHITE CEDAR	60.00	Cd	7.20	432.00						
	MIXED SPRUCE	1,377.00	Cd	9.89	13,612.50						
BIOMASS	ANY LISTED SPECIES (optional)	19,470.00	Tons	-	0.00						
TOTAL APPRAI	SOLD TRACTS CONVERTED TO CORDS: SED DOLLAR VALUE OF SOLD TRACTS: D-UP DOLLAR VALUE OF SOLD TRACTS: TOTAL ACRES SOLD: TOTAL NUMBER OF TRACTS SOLD:	\$ 375,128.19 \$ 529,801.49 509.2									