



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
REGULAR AUCTION - SALE #2
ORAL BID

Notice is hereby given that I offered for sale at public auction in Cohasset, MN at 9:00 AM on Wednesday, June 5, 2024, timber belonging to the State of Minnesota. All tracts were offered at the Cohasset City Hall Community Center in Cohasset, 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
DEER RIVER AREA

9:00 AM on June 5, 2024
Cohasset City Hall Community Center in Cohasset, 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 June 5, 2025, at the following Area Headquarters: Deer River Area.

TRACT B1 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 96.4

Permit Number: B015994
Expiration Date: 05/31/2028

Purchased By: Scheff Logging & Trucking Inc.
Address: 48985 State Hwy 38, Marcell, MN 56657

SESW of Section 11; NWNW,SWNW of Section 14; NESE,SENE of Section 15 - Township 58, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASH	PULP & BOLTS	1,600.00	Cd	10.87	17,392.00	10.87	17,392.00
+ ASPEN SPECIES	PULPWOOD	885.00	Cd	23.56	20,850.60	23.56	20,850.60
+ BLACK SPRUCE	PULP & BOLTS	685.00	Cd	13.50	9,247.50	13.50	9,247.50
	PAPER BIRCH	5.00	Cd	12.50	62.50	12.50	62.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$47,552.60	BID TOTAL = \$ 47,552.60
				ADVANCE PAYMENT =		\$7,132.89	

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

ANY LISTED SPECIES BIOMASS 1,710.00 Tons 0.65 1,111.50

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 5%; Trembling Aspen 95%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

Black Spruce Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Season of Operations:

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

Sale Conditions:

- Access is across USFS or private land.
- Permission to cross private land must be obtained by permittee.
- Best access is across approximately .5 miles US Forest Service roads. If using USFS system roads, the permit holder shall obtain a road use permit from the USFS District Office before beginning sale operations. Provisions of this permit will become part of the terms and conditions for this sale.
- Best access requires new access across USFS lands. A Special Use permit for the identified route has been applied for by the DNR. Provisions of this permit will become part of the terms and conditions for this sale.

Marketing Conditions:

Sale is located about 1 mile North of Little Bowstring Lake off Alder Rd.

Price Adjustments:

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

Appraiser:

Michael Nooker

TRACT B2

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 61.4

Permit Number: B015995
Expiration Date: 05/31/2027

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

NENE,NWNE,SENE of Section 30; SWSW of Section 20; SESE of Section 19; NWNW of Section 29 -
Township 60, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	1,802.00	Cd	53.00	95,506.00	53.00	95,506.00
ASPEN SPECIES	PULPWOOD	154.00	Cd	17.74	2,731.96	17.74	2,731.96
BALSAM FIR	PULPWOOD	84.00	Cd	5.00	420.00	5.00	420.00
TAMARACK	PULPWOOD	4.00	Cd	6.00	24.00	6.00	24.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL =	\$98,681.96	BID TOTAL = \$	98,681.96
ADVANCE PAYMENT =	\$14,802.29		

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

ANY LISTED SPECIES	BIOMASS	884.00	Tons	0.65	574.60
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Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 42%; Trembling Aspen 58%.

Mixed Product Description:

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 78%; Pulpwood 5%; Sawtimber (Softwood Only) 17%.

Season of Operations:

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

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Sale is located 2 miles down the Cameron Lake Sate Forest Road.
Cameron Lake SFR is an ATV and snowmobile trail so signage is required for all seasons.

Price Adjustments:

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

Appraiser:

Garrett Mann

TRACT B3

COUNTY: CASS

AREA: DEER RIVER AREA

ACRES: 263.8

Permit Number: B015996
Expiration Date: 05/31/2028

Purchased By:
Address:

UNSOLD

GL04,SESW of Section 19;
GL01,GL02,GL03,GL04,NENW,NESE,NESW,NWSE,SENE,SENW,SESE,SESW,SWNE,SWSE of Section 30;
GL01 of Section 31 - Township 144, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TAMARACK	PULPWOOD	6,365.00	Cd	3.60	22,914.00	3.60	22,914.00
+ BID SPECIES	* SOLD ON APPRAISED VOLUME						
					APPRAISED TOTAL =	\$22,914.00	BID TOTAL = \$ 22,914.00
					ADVANCE PAYMENT =	\$3,437.10	

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

ANY LISTED SPECIES BIOMASS 1,780.00 Tons 0.65 1,157.00

Season of Operations:

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

Sale Conditions:

- Access is across state and USFS land.
- Best access is across approximately 2.5 miles US Forest Service roads. If using USFS system roads, the permit holder shall obtain a road use permit from the USFS District Office before beginning sale operations. Provisions of this permit will become part of the terms and conditions for this sale.

Marketing Conditions:

Approximately 25% of tamarack is dead as of Jan. 2024.
Sale is located next to Drumbeater lake.
Access is from Six Mile Lake Rd. across about 5.5 miles of 2 track and lowland trails.

Price Adjustments:

- Road Construction Costs: 0%
- Haul Distance to Nearest Mill: +5%
- Stand Density: +5%
- Operational Constraints: 0%
- Other Price Factor: -50% (salvage tamarack)

Appraiser:

Michael Nooker

TRACT B4 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 99.0

Permit Number: B015997
Expiration Date: 05/31/2028

Purchased By: Scheff Logging & Trucking Inc.
Address: 48985 State Hwy 38, Marcell, MN 56657

NENW,NESE,NESW,NWNW,NWSE,NWSW,SENE,SENW,SESW,SWNE,SWNW,SWSE,SWSW of Section 16 - Township 147, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 76	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	3,755.00	Cd	22.62	84,938.10	39.81	149,486.55
BASSWOOD	PULP & BOLTS	280.00	Cd	14.70	4,116.00	14.70	4,116.00
ASH	PULP & BOLTS	260.00	Cd	11.52	2,995.20	11.52	2,995.20
MIXED HARDWOODS	PULPWOOD	135.00	Cd	12.00	1,620.00	12.00	1,620.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$93,669.30 BID TOTAL = \$ 158,217.75
 ADVANCE PAYMENT = \$14,050.40

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

ANY LISTED SPECIES BIOMASS 2,090.00 Tons 0.65 1,358.50

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 5%; Trembling Aspen 95%.
Mixed Hardwoods Pulpwood includes: Paper Birch 60%; Red Maple 7%; Sugar Maple 33%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
Basswood Pulp & Bolts includes: Bolts 75%; Pulpwood 25%.

Season of Operations:

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

Sale Conditions:

- Access is across USFS and tribal land.
- Permission to cross tribal land must be obtained by permittee.
- Best access is across approximately 1 miles US Forest Service roads. If using USFS system roads, the permit holder shall obtain a road use permit from the USFS District Office before beginning sale operations. Provisions of this permit will become part of the terms and conditions for this sale.

Marketing Conditions:

Sale is located about 1 mile West of Little Jessie Lake.

Price Adjustments:

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

Appraiser:

Michael Nooker

TRACT B5

COUNTY: KOOCHICHING

AREA: DEER RIVER AREA

ACRES: 94.3

Permit Number: B015998
Expiration Date: 05/31/2028

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

NENW,NESW,NWNE,NWNW,NWSE,SENE,SWNE,SWNW of Section 36 - Township 151, Range 29W.
NENE,NWNE of Section 36 - Township 151, Range 29W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 127	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULP & BOLTS	2,750.00	Cd	21.78	59,895.00	49.44	135,960.00
+ ASH	PULP & BOLTS	240.00	Cd	9.95	2,388.00	22.59	5,421.60
+ PAPER BIRCH	PULP & BOLTS	210.00	Cd	13.74	2,885.40	31.19	6,549.90
SUGAR MAPLE	PULP & BOLTS	45.00	Cd	16.68	750.60	16.68	750.60
BALSAM FIR	PULP & BOLTS	40.00	Cd	9.05	362.00	9.05	362.00
BASSWOOD	PULP & BOLTS	35.00	Cd	13.28	464.80	13.28	464.80

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$66,745.80 BID TOTAL = \$ 149,508.90
ADVANCE PAYMENT = \$10,011.87

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

ANY LISTED SPECIES BIOMASS 1,550.00 Tons 0.65 1,007.50

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 2%; Trembling Aspen 98%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 29%; Pulpwood 71%.
Aspen Species Pulp & Bolts includes: Bolts 35%; Pulpwood 65%.
Balsam Fir Pulp & Bolts includes: Bolts 17%; Pulpwood 83%.
Basswood Pulp & Bolts includes: Bolts 65%; Pulpwood 35%.
Paper Birch Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.
Sugar Maple Pulp & Bolts includes: Bolts 45%; Pulpwood 55%.

Season of Operations:

- Conduct sale operations on dry / frozen soil conditions only, except with written permission from State (Cutting Blocks 1 and 2).

Sale Conditions:

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

Marketing Conditions:

Permit is best accessed via the Blue Ox ATV/Snowmobile Trail, approximately 1.5 miles south of the trail/highway intersection in Northome.

Slight dry summer/fall chance of harvest.

Majority of aspen is approximately 55 years old.

Price Adjustments:

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

Appraiser:

Matthew T. Pollard

(Appraisal ID 18748-0; Cutting Block ID 21755-0, 21754-0)

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

DEER RIVER 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: June 5, 2024

- SUMMARY SHEET -

06/05/2024 REGULAR AUCTION - SALE #2

COMPLETED - DATA AS OF 06/11/2024

DEER RIVER AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASH	2,100.00	Cd	12.29	25,808.80
	ASPEN SPECIES	2,750.00	Cd	49.44	135,960.00
	PAPER BIRCH	210.00	Cd	31.19	6,549.90
	SUGAR MAPLE	45.00	Cd	16.68	750.60
	BASSWOOD	315.00	Cd	14.54	4,580.80
	BALSAM FIR	40.00	Cd	9.05	362.00
	BLACK SPRUCE	685.00	Cd	13.50	9,247.50
PULPWOOD	ASPEN SPECIES	4,794.00	Cd	36.10	173,069.11
	PAPER BIRCH	5.00	Cd	12.50	62.50
	BALSAM FIR	84.00	Cd	5.00	420.00
	TAMARACK	4.00	Cd	6.00	24.00
	MIXED HARDWOODS	135.00	Cd	12.00	1,620.00
BIOMASS	ANY LISTED SPECIES (optional)	6,234.00	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	NORWAY PINE	1,802.00	Cd	53.00	95,506.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 12,969.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 306,649.66
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 453,961.21
TOTAL ACRES SOLD: 351.1
SOLD TRACT NUMBERS: 1, 2, 4, 5
TOTAL NUMBER OF TRACTS SOLD: 4

SUMMARY FOR UNSOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULPWOOD	TAMARACK	6,365.00	Cd	3.60	22,914.00
BIOMASS	ANY LISTED SPECIES (optional)	1,780.00	Tons	0.65	1,157.00

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 6,365.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 22,914.00
TOTAL ACRES UNSOLD: 263.8
UNSOLD TRACT NUMBER: 3
TOTAL NUMBER OF TRACTS UNSOLD: 1