

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

TOWER AREA

STATUS: COMPLETED REGULAR AUCTION - SALE #1 ORAL BID

Notice is hereby given that I offered for sale at public auction in Cook, MN at 9:00 AM on Tuesday, December 10, 2024, timber belonging to the State of Minnesota. All tracts were offered at the Cook Community Center in Cook, 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 TOWER AREA

9:00 AM on December 10, 2024 Cook Community Center in Cook, 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 December 10, 2025, at the following Area Headquarters: Tower Area.

TRACT B1 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 427.3

Permit Number: B016164 Expiration Date: 05/31/2029

> Purchased By: Address:

GL01,GL02,NENE,NENW,NESE,NESW,NWNE,NWNW,NWSE,NWSW,SENE,SENW,SWNE,SWNW of Section 36 - Township 65, Range 17W.

					APPRAISED		BID:	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	PULPWOOD	3,790.00	Cd	5.70	21,603.00	5.70	21,603.00
+	MIXED SPRUCE	PULP & BOLTS	1,220.00	Cd	4.32	5,270.40	4.32	5,270.40
+	JACK PINE	PULP & BOLTS	1,030.00	Cd	5.22	5,376.60	5.22	5,376.60
+	NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	780.00	Cd	15.90	12,402.00	15.90	12,402.00
	MIXED HARDWOODS	PULPWOOD	520.00	Cd	3.00	1,560.00	3.00	1,560.00
	BALSAM FIR	PULPWOOD	490.00	Cd	1.50	735.00	1.50	735.00
+	WHITE PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	390.00	Cd	12.75	4,972.50	12.75	4,972.50
	▶ BID SPECIES ★ SOLD	ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$51,919.50 \$7,787.93	BID TOTA	L = \$ 51,919.50

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

ANY LISTED SPECIES	BIOMASS	3,990.00	Tons	0.65	2,593.50

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 14%; Trembling Aspen 86%. Mixed Hardwoods Pulpwood includes: Paper Birch 39%; Red Maple 61%.

Mixed Spruce Pulp & Bolts includes: Black Spruce 92%; White Spruce 8%.

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 57%; Pulpwood 43%.

Mixed Spruce Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 20%; Pulpwood 40%; Sawtimber (Softwood Only) 40%. White Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 30%; Pulpwood 50%; 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 USFS, county, and state land.

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

- Best access is across approximately 9.5 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 access is from the south using USFS Rd. 200 and USFS Rd. 1051. Access from the north is off the Hoffman Road.

Price reduced for road improvements off 200 Rd or Hoffman Rd and operating on steep terrain.

5 year permit due to access and large acreage.

Sale was appraised by Jeff Rengo, Dave Sopoci, Andrew Broz and Andrew Erickson.

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: -10% Stand Density: -5% Operational Constraints: -10% Other Price Factor: -30% (second re-offer)

Appraiser:

Krista M. Roth

(Appraisal ID 14901-0; Cutting Block ID 17365-0)

COUNTY: KOOCHICHING

AREA: TOWER AREA

- PAGE 5 -

ACRES: 100.7

Permit Number: B016165 Expiration Date: 05/31/2028

TRACT B2

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

GL03,GL04 of Section 27; SESW,SWSE,SWSW of Section 21; GL04 of Section 28; NESW,NWSE,SESW,SWSE,SWSW of Section 22 - Township 66, Range 22W.

					APPRAISED		BID %: 0	
5	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	PULPWOOD	2,914.00	Cd	23.64	68,886.96	23.64	68,886.96
	BALSAM FIR	PULPWOOD	343.00	Cd	6.25	2,143.75	6.25	2,143.75
	MIXED HARDWOODS	PULP & BOLTS	60.00	Cd	18.50	1,110.00	18.50	1,110.00
	MIXED SPRUCE	PULP & BOLTS	29.00	Cd	22.50	652.50	22.50	652.50
	WHITE PINE	PULP & BOLTS	8.00	Cd	26.19	209.52	26.19	209.52
	NORWAY PINE	PULP & BOLTS	7.00	Cd	22.50	157.50	22.50	157.50
	AMERICAN ELM	PULPWOOD	2.00	Cd	8.75	17.50	8.75	17.50
-	BID SPECIES * SOLI	O ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$73,177.73 \$10,976.66	BID TOTA	L = \$ 73,177.73

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

|--|

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 3%; Trembling Aspen 97%. Mixed Hardwoods Pulp & Bolts includes: Paper Birch 91%; Red Maple 9%. Mixed Spruce Pulp & Bolts includes: Black Spruce 41%; White Spruce 59%.

Mixed Product Description:

Mixed Hardwoods Pulp & Bolts includes: Bolts 48%; Pulpwood 52%. Mixed Spruce Pulp & Bolts includes: Bolts 50%; Pulpwood 50%. Norway Pine Pulp & Bolts includes: Bolts 40%; Pulpwood 60%. White Pine Pulp & Bolts includes: Bolts 65%; Pulpwood 35%.

Season of Operations:

- Conduct all 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 has been set up and appraised by Ryan Shears, Andrew Erickson and Macy Curnow.

Sale is located on the Pretty Birch Road, approximately 36 miles from International Falls, 21 miles from Ray, down the Haney Road.

Road construction costs- 0.25 mile of opening pre-existing roads has been factored into road construction costs on the west harvest area. Logging roads accessing east harvest area were pushed in one year ago.

Price Adjustments:

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

Appraiser:

Ryan Joseph Shears

(Appraisal ID 19811-0; Cutting Block ID 22909-0)

TRACT B3 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 40.0

Permit Number: B016166 Expiration Date: 05/31/2028

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

SENE of Section 31 - Township 67, Range 21W.

					APPRAISED		BID %: 0	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	PULPWOOD	440.00	Cd	19.95	8,778.00	19.95	8,778.00
+	JACK PINE	PULP & BOLTS	180.00	Cd	18.90	3,402.00	18.90	3,402.00
+	MIXED SPRUCE	PULP & BOLTS	156.00	Cd	21.73	3,389.88	21.73	3,389.88
	BALSAM FIR	PULPWOOD	128.00	Cd	5.25	672.00	5.25	672.00
+	MIXED HARDWOODS	PULPWOOD	119.00	Cd	10.46	1,244.74	10.46	1,244.74
	+ BID SPECIES * SOLD	ON APPRAISED VOLUME	Ą		ED TOTAL = PAYMENT =	\$17,486.62 \$2,622.99	BID TOTAI	L = \$ 17,486.62

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

ANY LISTED SPECIES BIOMASS 620.		0.65	403.00
---------------------------------	--	------	--------

Mixed Species Description:

Mixed Hardwoods Pulpwood includes: Ash 1%; Paper Birch 97%; Red Maple 2%. Mixed Spruce Pulp & Bolts includes: Black Spruce 23%; White Spruce 77%.

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 60%; Pulpwood 40%. Mixed Spruce Pulp & Bolts includes: Bolts 65%; Pulpwood 35%.

Season of Operations:

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

Sale Conditions:

- Access is across USFS and State land.

- Best access is across approximately 2 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 9 miles down the Biondich Rd. 19 miles North of Orr, MN off HWY 53. Two miles of forest service road connect the sale to the Biondich.

Price Adjustments:

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

Appraiser:

Peter Anderson

TRACT B4 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 152.5

Permit Number: B016167 Expiration Date: 05/31/2028

Purchased By: Packaging Corporation of America

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

NWNW,NWSW,SWNW,SWSW of Section 34; NENE,NESE,NWSE,SENE,SESE,SWSE of Section 33 - Township 68, Range 20W.

					APPRAISED		BID %: 0	
5	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	PULPWOOD	4,550.00	Cd	23.04	104,832.00	23.04	104,832.00
+	MIXED SPRUCE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	600.00	Cd	46.25	27,750.00	46.25	27,750.00
	BALSAM FIR	PULPWOOD	500.00	Cd	6.25	3,125.00	6.25	3,125.00
	TAMARACK	PULPWOOD	160.00	Cd	7.50	1,200.00	7.50	1,200.00
	MIXED HARDWOODS	PULPWOOD	140.00	Cd	12.50	1,750.00	12.50	1,750.00
	ASH	PULPWOOD	50.00	Cd	7.50	375.00	7.50	375.00
-	BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$139,032.00 \$20,854.80	BID TOTAL	_ = \$ 139,032.00

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

ANY LISTED SPECIES	BIOMASS	2,875.00 Tons	0.65	1,868.75
--------------------	---------	---------------	------	----------

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 19%; Largetooth Aspen 1%; Trembling Aspen 80%. Mixed Hardwoods Pulpwood includes: Paper Birch 95%; Red Maple 5%.

Mixed Spruce Woodsrun Sawtimber (Softwood only) includes: Black Spruce 5%; White Spruce 95%.

Mixed Product Description:

Mixed Spruce Woodsrun Sawtimber (Softwood only) includes: Bolts 35%; Pulpwood 15%; Sawtimber (Softwood Only) 50%.

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 located 1.5 miles south of the Camp 90 Forest Road, just past the gate.

Price Adjustments:

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

Appraiser:

Timothy D. St Aubin

TRACT B5 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 40.9

Permit Number: B016168 Expiration Date: 05/31/2028

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

NWSW of Section 33; SENE of Section 32 - Township 68, Range 21W.

						APPRAISED		BID %: 0	
ę	SPECIES		PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	5	PULPWOOD	1,082.00	Cd	21.47	23,230.54	21.47	23,230.54
	BALSAM FIR		PULPWOOD	25.00	Cd	5.75	143.75	5.75	143.75
-	BID SPECIES	*	SOLD ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$23,374.29 \$3,506.14	BID TOTA	L = \$ 23,374.29

Optional Timber (may b	e purchased with an Added Timl	ber Agre	ement):		
ANY LISTED SPECIES	BIOMASS	658.00	Tons	0.65	427.70

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 11%; Trembling Aspen 89%.

Season of Operations:

- Conduct sale operations on dry/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:

35 miles from International Falls.8 miles down Kolar grade.Summer chance.

Price Adjustments:

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

Appraiser:

Andrew Michael Saarela

(Appraisal ID 19563-0; Cutting Block ID 22447-0)

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

TOWER AREA - ORR FIELD STATION

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: December 10, 2024

TOWER AREA

	SUMMARY FOR SUMMARY	OLD TRACTS			
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	WHITE PINE	8.00	Cd	26.19	209.52
	NORWAY PINE	7.00	Cd	22.50	157.50
	JACK PINE	180.00	Cd	18.90	3,402.00
	MIXED SPRUCE	185.00	Cd	21.85	4,042.38
	MIXED HARDWOODS	60.00	Cd	18.50	1,110.00
PULPWOOD	ASH	50.00	Cd	7.50	375.00
	AMERICAN ELM	2.00	Cd	8.75	17.50
	ASPEN SPECIES	8,546.00	Cd	23.05	196,949.50
	TREMBLING ASPEN	440.00	Cd	19.95	8,778.00
	BALSAM FIR	996.00	Cd	6.11	6,084.50
	TAMARACK	160.00	Cd	7.50	1,200.00
	MIXED HARDWOODS	259.00	Cd	11.56	2,994.74
BIOMASS	ANY LISTED SPECIES (optional)	6,154.00	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	MIXED SPRUCE	600.00	Cd	46.25	27,750.00

TOTAL SOLD TRACTS CONVERTED TO CORDS:11,493.00TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS:\$ 253,070.64TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:\$ 253,070.64TOTAL ACRES SOLD:334.1SOLD TRACT NUMBERS:2, 3, 4, 5

TOTAL NUMBER OF TRACTS SOLD: 4

	SUMMARY FOR UNSOLD TRACTS								
				APPRAISED					
		TOTAL		AVERAGE	APPRAISED				
PRODUCT	SPECIES			UNIT PRICE	\$ VALUE				
PULP & BOLTS	JACK PINE	1,030.00	Cd	5.22	5,376.60				
	MIXED SPRUCE	1,220.00	Cd	4.32	5,270.40				
PULPWOOD	ASPEN SPECIES	3,790.00	Cd	5.70	21,603.00				
	BALSAM FIR	490.00	Cd	1.50	735.00				
	MIXED HARDWOODS	520.00	Cd	3.00	1,560.00				
BIOMASS	ANY LISTED SPECIES (optional)	3,990.00	Tons	0.65	2,593.50				
WOODSRUN SAWTIMBER	WHITE PINE	390.00	Cd	12.75	4,972.50				
(SOFTWOOD ONLY)	NORWAY PINE	780.00	Cd	15.90	12,402.00				
TOTAL UNS	SOLD TRACTS CONVERTED TO CORDS	5: 8,220.00							

TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 51,919.50

TOTAL ACRES UNSOLD: 427.3

UNSOLD TRACT NUMBER: 1

TOTAL NUMBER OF TRACTS UNSOLD: 1