

# MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

# STATUS: COMPLETED INTERMEDIATE AUCTION - SALE #2 ORAL BID

Notice is hereby given that I offered for sale at public auction in Willow River, MN at 10:30 AM on Tuesday, January 14, 2025, 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

INTERMEDIATE AUCTION
ORAL BID TIMBER SALE
SANDSTONE AREA

# 10:30 AM on January 14, 2025 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 whoever bids the highest price for all timber species advertised for bidding on each tract. Bidding over 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 account 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)]. Purchase is limited to registered persons or companies with 30 or fewer employees. No bidder may purchase more than twenty-five (25) percent of the tracts offered on the first round of bidding. Purchases or attempts to purchase tracts beyond the twenty-five (25) percent limit will result in the forfeiture of the down payment and loss of the tract.

#### **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 January 14, 2026, at the following Area Headquarters: Sandstone Area. Beginning 30 days after the auction date, an unsold intermediate auction tract may be purchased by any registered responsible bidder, i.e., purchase is no longer limited to businesses with 30 or fewer employees.

TRACT X1 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 70.3

Permit Number: X019697 Expiration Date: 05/31/2029

Purchased By: Casey Sauter

Address: 13480 Ravine Rd, Pine City, MN 55063

NESE, NESW, NWSE, SESE, SESW, SWNE, SWSE of Section 3 - Township 45, Range 16W.

					APPRAISED		BID %: 0	
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT	\$ VALUE	UNIT PRICE	\$ VALUE
_	1 20120					TALUE .		V VALUE
+	RED OAK	PULP & BOLTS	420.00	Cd	14.71	6,178.20	14.71	6,178.20
+	PAPER BIRCH	PULP & BOLTS	305.00	Cd	9.55	2,912.75	9.55	2,912.75
+	ASPEN SPECIES	PULPWOOD	210.00	Cd	13.60	2,856.00	13.60	2,856.00
+	RED MAPLE	PULPWOOD	165.00	Cd	7.65	1,262.25	7.65	1,262.25
+	BASSWOOD	PULP & BOLTS	90.00	Cd	7.39	665.10	7.39	665.10
+	SUGAR MAPLE	PULPWOOD	65.00	Cd	7.65	497.25	7.65	497.25
+	ASH	PULP & BOLTS	60.00	Cd	6.63	397.80	6.63	397.80
+	BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$14,769.35 \$2,215.40	BID TOTA	L = \$ 14,769.35

# **Mixed Species Description:**

Aspen Species Pulpwood includes: Largetooth Aspen 2%; Trembling Aspen 98%.

# **Mixed Product Description:**

Ash Pulp & Bolts includes: Bolts 35%; Pulpwood 65%. Basswood Pulp & Bolts includes: Bolts 45%; Pulpwood 55%. Paper Birch Pulp & Bolts includes: Bolts 28%; Pulpwood 72%. Red Oak Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

### **Cutting and Felling:**

- Full tree skidding is prohibited.

## **Season of Operations:**

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

#### Sale Conditions:

- Access is across state land.

# **Marketing Conditions:**

This permit is a mix of aspen/birch harvest with moderate reserves, and selective harvest in Oak. Prices have been reduced 5% for operational constraints, 5% for road construction and 5% for stand density, for a net 15% reduction in prices. From the intersection of CR146 and Hwy 23 North of Nickerson, sale is located .25 miles South on CR146, then 1.1 miles East on Net Lake rd, to the Net Lake Forest Road, then 7.4 miles down the Net Lake F.R. to the Yellow Birch Trail, then approximately 2.5 miles to OHM trail crossing which can be used to walk into permit. Best operational sale access access is likely East from the Net Lake road and across aspen cutovers into the Southeast part of sale.

# **Price Adjustments:**

Road Construction Costs: -5% Haul Distance to Nearest Mill: 0%

Stand Density: -5%

Operational Constraints: -5% Other Price Factor: 0%

# Appraiser:

Andrew J. Kett

TRACT X2 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 81.6

Permit Number: X019698 Expiration Date: 05/31/2029

Purchased By: CTP Chipping Inc.

Address: 53778 Fir Lane, Sandstone, MN 55072

NENW,NWNW,SENW,SWNW of Section 1; NENE,NESE,NESW,NWSE,SENE,SWNE of Section 2 - Township

45, Range 16W.

				APPR	AISED	BID %: 0		
5	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	PAPER BIRCH	PULPWOOD	1,330.00	Cd	6.75	8,977.50	6.75	8,977.50
+	MAPLE SPECIES	PULPWOOD	645.00	Cd	6.75	4,353.75	6.75	4,353.75
	BALSAM FIR	PULPWOOD	74.00	Cd	3.00	222.00	3.00	222.00
-	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$13,553.25 \$2,032.99	BID TOTA	L = \$ 13,553.25
Optional Timber (may be purchased with an Added Timber Agreement):  ANY LISTED SPECIES BIOMASS 1,250.74 Tons 0.65 812.98								

### **Mixed Species Description:**

Maple Species Pulpwood includes: Red Maple 90%; Sugar Maple 10%.

# **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-July15 due to oak wilt concerns, unless with written permission from State.
- Operate during non-rutting soil conditions. Refer to DNR rutting guidelines.

#### **Sale Conditions:**

- Access is across state land.

# **Marketing Conditions:**

Sale is located in the Nemadji State Forest with access via the Harlis Forest Rd and the Yellow Birch Trail. Sappi is the nearest mill and is about 30 miles away.

# **Price Adjustments:**

Road Construction Costs: -5% Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: -10%

Other Price Factor: -10% (skidding constraints)

### Appraiser:

Madelyn Doucette

(Appraisal ID 18920-0; Cutting Block ID 22402-0)

TRACT X3 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 32.3

Permit Number: X019699 Expiration Date: 05/31/2029

Purchased By:
Address:

NWSE,SWSE of Section 36 - Township 45, Range 20W. GL02,NWSE of Section 30 - Township 45, Range 19W.

					APPRAISED		BID:	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
	<u> </u>		- TOLONIE					
	NORWAY PINE	PULP & BOLTS	300.00	Cd	23.75	7,125.00	23.75	7,125.00
	+ BID SPECIES * S	OLD ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$7,125.00 \$1,068.75	BID TOTA	AL = \$ 7,125.00
Optional Timber (may be purchased with an Added Timber Agreement):								
	ANY LISTED SPECIES	S BIOMASS	142.10	Tons	0.65	92.37		

# **Mixed Product Description:**

Norway Pine Pulp & Bolts includes: Bolts 75%; Pulpwood 25%.

# **Season of Operations:**

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

#### Sale Conditions:

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

### **Marketing Conditions:**

Pine thinning, volume is low because stand was affected by snow damage in 2022.

### **Price Adjustments:**

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

Stand Density: -5%

Operational Constraints: -5% Other Price Factor: 0%

# Appraiser:

Brian S. Allshouse

(Appraisal ID 19712-0; Cutting Block ID 22794-0, 22795-0)

## 01/14/2025 INTERMEDIATE AUCTION - SALE #2

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: January 14, 2025

### **SANDSTONE AREA**

SUMMARY FOR SOLD TRACTS								
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE			
PULP & BOLTS	ASH	60.00	Cd	6.63	397.80			
	PAPER BIRCH	305.00	Cd	9.55	2,912.75			
	BASSWOOD	90.00	Cd	7.39	665.10			
	RED OAK	420.00	Cd	14.71	6,178.20			
PULPWOOD	ASPEN SPECIES	210.00	Cd	13.60	2,856.00			
	PAPER BIRCH	1,330.00	Cd	6.75	8,977.50			
	MAPLE SPECIES	645.00	Cd	6.75	4,353.75			
	RED MAPLE	165.00	Cd	7.65	1,262.25			
	SUGAR MAPLE	65.00	Cd	7.65	497.25			
	BALSAM FIR	74.00	Cd	3.00	222.00			
BIOMASS	ANY LISTED SPECIES (optional)	1,250.74	Tons	-	0.00			

TOTAL SOLD TRACTS CONVERTED TO CORDS: 3,364.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$28,322.60
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$28,322.60
TOTAL ACRES SOLD: 151.9
SOLD TRACT NUMBERS: 1, 2

TOTAL NUMBER OF TRACTS SOLD: 2

SUMMARY FOR <u>UNSOLD</u> TRACTS								
			APPRAISED					
		TOTAL		AVERAGE	APPRAISED			
PRODUCT	SPECIES	VOLUME	UNIT	UNIT PRICE	\$ VALUE			
PULP & BOLTS	NORWAY PINE	300.00	Cd	23.75	7,125.00			
BIOMASS	ANY LISTED SPECIES (optional)	142.10	Tons	0.65	92.37			

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 300.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$7,125.00
TOTAL ACRES UNSOLD: 32.3
UNSOLD TRACT NUMBER: 3

TOTAL NUMBER OF TRACTS UNSOLD: 1