

# MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

**TWO HARBORS AREA** 

# STATUS: COMPLETED REGULAR AUCTION - SALE #1 ORAL BID

Notice is hereby given that I offered for sale at public auction in Silver Bay, MN at 9:30 AM on Thursday, June 5, 2025, timber belonging to the State of Minnesota. All tracts were offered at the Tettegouche State Park Visitor Center in Silver Bay, 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 TWO HARBORS AREA

# 9:30 AM on June 5, 2025 Tettegouche State Park Visitor Center in Silver Bay, 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, 2026, at the following Area Headquarters: Two Harbors Area.

# TRACT B1 COUNTY: LAKE

# AREA: TWO HARBORS AREA

Permit Number: B016347 Expiration Date: 05/31/2028

Purchased By: Tibbetts Trucking

Address: 6389 Lax Lake Rd, Finland, MN 55603

GL01,GL02,GL03,NESW,NWSE,SENE,SENW,SWNE,SWNW of Section 5; SWNW of Section 4 - Township 57, Range 8W.

SESW of Section 32 - Township 58, Range 8W.

NESE,NWSE of Section 6; NWSW,SWSW of Section 5 - Township 57, Range 8W.

					APPRAISED		BID %: 0	
					UNIT		UNIT	
1	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	ASPEN SPECIES	6 PULP & BOLTS	1,633.00	Cd	16.12	26,323.96	16.12	26,323.96
+	MIXED SPRUCE	PULP & BOLTS	373.00	Cd	9.95	3,711.35	9.95	3,711.35
	BALSAM FIR	PULPWOOD	214.00	Cd	3.25	695.50	3.25	695.50
	PAPER BIRCH	PULP & BOLTS	127.00	Cd	7.87	999.49	7.87	999.49
	NORWAY PINE	PULP & BOLTS	41.00	Cd	13.26	543.66	13.26	543.66
	SUGAR MAPLE	PULPWOOD	19.00	Cd	6.50	123.50	6.50	123.50
-	BID SPECIES	* SOLD ON APPRAISED VOLUME		APPRAISED TO		\$32,397.46	BID TOTAL = \$ 32,397.46	
			A	DVANCE	PAYMENT =	\$4,859.62		

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

TAMARACK	PULP & BOLTS	42.00	Cd	4.99	209.58
ANY LISTED SPECIES	BIOMASS	1,798.00	Tons	0.65	1,168.70

#### **Mixed Species Description:**

Aspen Species Pulp & Bolts includes: Balm of Gilead 1%; Trembling Aspen 99%. Mixed Spruce Pulp & Bolts includes: Black Spruce 24%; White Spruce 76%.

#### **Mixed Product Description:**

Aspen Species Pulp & Bolts includes: Bolts 22%; Pulpwood 78%. Mixed Spruce Pulp & Bolts includes: Bolts 35%; Pulpwood 65%. Norway Pine Pulp & Bolts includes: Bolts 48%; Pulpwood 52%. Paper Birch Pulp & Bolts includes: Bolts 21%; Pulpwood 79%. Tamarack Pulp & Bolts includes: Bolts 28%; Pulpwood 72%.

### 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).

### Sale Conditions:

- Access is across state land (Cutting Blocks 1 and 2).
- Access crosses Public Waters. A Permit is not required if using a snow / ice bridge (Cutting Block 2).
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale (Cutting Block 2).

### Marketing Conditions:

Timber sale is located 8.9 miles W/NW from the intersection of Hwy 1 and Hefflefinger Road to GPS point 91 22' 48", 47 26' 50" which is located at the intersection of Hefflefinger Road and a section of the Moose Walk snowmobile trail. Cutting block 1 has a summer harvest chance in dry conditions; cutting block 2 is winter harvest only.

Price adjustments apply to aspen only, other species have the lake county discount.

#### **Price Adjustments:**

Road Construction Costs: -5% Haul Distance to Nearest Mill: 0% Stand Density: -5% Operational Constraints: -5% Other Price Factor: -35% (Lake County Discount)

# Appraiser:

Patrick J. Yerger

(Appraisal ID 20111-0; Cutting Block ID 23191-0, 23105-0)

# TRACT B2 COUNTY: LAKE

# AREA: TWO HARBORS AREA

ACRES: 198.7

Permit Number: B016348 Expiration Date: 05/31/2029

Purchased By:

Address:

NENE, NENW, NESW, NWNE, NWNW, NWSW, SENW, SWNE, SWNW of Section 24 - Township 57, Range 10W.

S	PECIES		PRODUCT	VOLUME	ι	NIT	APPR UNIT PRICE	AISED	BID: UNIT PRICE	\$ VALUE
+	MIXED SPRUCE		PULPWOOD	3,820.0	0 0	d	5.85	22,347.00	5.85	22,347.00
+	TAMARACK		PULP & BOLTS	1,250.0	0 0	d	5.66	7,075.00	5.66	7,075.00
+	BID SPECIES	*	SOLD ON APPRAISED VOLUME				ED TOTAL = PAYMENT =	\$29,422.00 \$4,413.30	BID TOTAI	_ = \$ 29,422.00

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

E	BALSAM FIR	PULPWOOD	70.00	Cd	3.25	227.50
٦	REMBLING ASPEN	PULPWOOD	5.00	Cd	19.00	95.00
ŀ	ANY LISTED SPECIES	BIOMASS	1,795.00	Tons	0.65	1,166.75

### **Mixed Species Description:**

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

#### **Mixed Product Description:**

Tamarack Pulp & Bolts includes: Bolts 45%; Pulpwood 55%.

### **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 USFS and state land.
- Access crosses Public Waters. A Permit is not required if using a snow / ice bridge.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

- Best access is across approximately 1.2 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 reopening existing/new access across USFS lands. A Special Use permit for the identified route has been granted. Provisions of this permit is part of the terms and conditions for this sale.

# **Marketing Conditions:**

From Forest Highway 11, take Stony River Forest Road North 2 miles to FS 407. Follow FS 407 East approximately 3.8 miles to sale area. Permittee can expect .7 mile reopen existing upland road, .4 mile reopen existing winter road, and 1.6 miles of reopening existing winter road with occasional merchantable timber.

Western side of sale has mortality pockets from dwarf mistletoe, there is approximately 6 acres of low volume (less than 5 cd/ac) that will still require felling of all live black spruce equal or greater than 5' tall. All stands have eastern dwarf mistletoe. Lake County discount was applied to all but aspen, standard discounts applied to aspen.

### **Price Adjustments:**

Road Construction Costs: +5% Haul Distance to Nearest Mill: -10% Stand Density: +5% Operational Constraints: 0% Other Price Factor: -35% (Lake County)

# Appraiser:

Brian Patrick Schiller

(Appraisal ID 20213-0; Cutting Block ID 21766-0)

# TRACT B3 COUNTY: LAKE

AREA: TWO HARBORS AREA

Permit Number: B016349 Expiration Date: 05/31/2028

# Purchased By: Fjeran's Forest Products

Address: 1801 Hwy 3, Two Harbors, MN 55616

NENE,NENW,NESW,NWNE,NWSE,NWSW,SESW,SWNE,SWNW of Section 16 - Township 57, Range 11W. NESE,NESW,NWSW,SESE,SESW,SWSW of Section 16 - Township 57, Range 11W.

					APPRAISED		BID %: 0	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	PULP & BOLTS	1,275.00	Cd	18.97	24,186.75	18.97	24,186.75
+	MIXED SPRUCE	PULP & BOLTS	535.00	Cd	8.19	4,381.65	8.19	4,381.65
+	TAMARACK	PULP & BOLTS	440.00	Cd	6.05	2,662.00	6.05	2,662.00
	PAPER BIRCH	PULP & BOLTS	70.00	Cd	7.15	500.50	7.15	500.50
	BALSAM FIR	PULPWOOD	30.00	Cd	3.25	97.50	3.25	97.50
	+ BID SPECIES	★ SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$31,828.40 \$4,774.26	BID TOTAI	L = \$ 31,828.40

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

ANY LISTED SPECIES	BIOMASS	1,175.00	Tons	0.65	763.75

### Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 1%; Trembling Aspen 99%. Mixed Spruce Pulp & Bolts includes: Black Spruce 96%; White Spruce 4%.

#### **Mixed Product Description:**

Aspen Species Pulp & Bolts includes: Bolts 10%; Pulpwood 90%. Mixed Spruce Pulp & Bolts includes: Bolts 20%; Pulpwood 80%. Paper Birch Pulp & Bolts includes: Bolts 10%; Pulpwood 90%. Tamarack Pulp & Bolts includes: Bolts 55%; Pulpwood 45%.

# **Cutting and Felling:**

- Fell all live black spruce equal to or greater than 5 feet tall (Cutting Blocks 1 and 2).

### 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).
- No operations within 1/4 mile of Berry creek allowed between April 15th and October 30th due to presence of a threatened species , without written permission from State (Cutting Block 1).

### Sale Conditions:

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

### **Marketing Conditions:**

Sale is located 1.4 miles North of Toimi school. Permittee should expect .9 mile new construction with merchantable timber, .2 mile new construction without merchantable timber. Cutting block 1 has a portion that could be summer accessible under dry conditions. Portions of sale may have 2-4 cords of standing dead balsam fir that may be cut to access timber. Lake county discount was applied to all but aspen, standard discounts applied to aspen. Aspen stand 192 has large pockets of nonmerchantable to work around.

### **Price Adjustments:**

Road Construction Costs: 0% Haul Distance to Nearest Mill: +5% Stand Density: -5% Operational Constraints: 0% Other Price Factor: -35% (Lake County)

# Appraiser:

Brian Patrick Schiller

(Appraisal ID 20196-0; Cutting Block ID 23351-0, 23376-0)

# TRACT B4 COUNTY: LAKE

# AREA: TWO HARBORS AREA

ACRES: 101.6

Permit Number: B016350 Expiration Date: 05/31/2029

> Purchased By: Address:

Audress.

NESW,NWSW,SENW,SWNE,SWNW,SWSW of Section 4 - Township 58, Range 9W.

				APPR	AISED	BID:		
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	MIXED SPRUCE	PULP & BOLTS	1,400.00	Cd	9.63	13,482.00	9.63	13,482.00
+	- BALSAM FIR	PULP & BOLTS	400.00	Cd	7.52	3,008.00	7.52	3,008.00
+	- TREMBLING ASPEN	PULPWOOD	60.00	Cd	17.10	1,026.00	17.10	1,026.00
_	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$17,516.00 \$2,627.40	BID TOTA	L = \$ 17,516.00

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

ANY LISTED SPECIES	BIOMASS	1,072.00	Tons	0.65	696.80
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#### **Mixed Species Description:**

Mixed Spruce Pulp & Bolts includes: Black Spruce 41%; White Spruce 59%.

#### Mixed Product Description:

Balsam Fir Pulp & Bolts includes: Bolts 59%; Pulpwood 41%. Mixed Spruce Pulp & Bolts includes: Bolts 57%; Pulpwood 43%.

#### **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:**

Sale is located along the Stony Grade, access is direct. Based on field visit in December 2023 100% is affected by SBW. All standing dead Balsam Fir and Spruce has been appraised as biomass. Shallow soils and slow drainage has relegated operations to frozen conditions only.

Price adjustments and reoffer apply to aspen, other species have Lake County and reoffer discount.

### **Price Adjustments:**

Road Construction Costs: +10% Haul Distance to Nearest Mill: 0% Stand Density: -5% Operational Constraints: 0% Other Price Factor: -50% (Lake County discount, reoffer)

### **Appraiser:**

Glenn N. Ristow

(Appraisal ID 19893-0; Cutting Block ID 19411-0)

#### **TRACT B5** COUNTY: COOK

**AREA: TWO HARBORS AREA** 

SOLU

**ACRES: 25.0** 

Permit Number: B016351 Expiration Date: 05/31/2029

Purchased By:

Address:

NESE, NWSE, SENE of Section 1 - Township 63, Range 1W.

5	PECIES	PRODUCT	VOLUME	UNIT	APPF UNIT PRICE	AISED \$ VALUE	BID: UNIT PRICE	\$ VALUE
÷	NORWAY PINE TREMBLING ASPEN	PULP & BOLTS PULPWOOD	375.00 15.00		3.67 14.25	1,376.25 213.75	3.67 14.25	1,376.25 213.75
-	BID SPECIES * SO	LD ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$1,590.00 \$238.50	BID TOTA	NL = \$ 1,590.00

Optional Timber (may be purchased with an Added Timber Agreement):							
ANY LISTED SPECIES	BIOMASS	206.00 Tons	0.65	133.90			

#### **Mixed Product Description:**

Norway Pine Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.

#### Season of Operations:

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

#### Sale Conditions:

- Access is across state land.

- Best access is across approximately 3 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:**

This is a red pine thin with an average basal area of 190 square feet. Originally appraised by Scott Dowling. Proposed access shown on map is also a part of the Gunflint Snowmobile Trail, approximately 1 mile will need to be used for access.

Price adjustments apply to aspen only, county discount applies to norway pine.

#### **Price Adjustments:**

Road Construction Costs: -10% Haul Distance to Nearest Mill: 0% Stand Density: -5% **Operational Constraints: -10%** Other Price Factor: -65% (County Discount)

### **Appraiser:**

Jason A. Bushmaker

(Appraisal ID 17757-0; Cutting Block ID 20600-0)

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

# TWO HARBORS 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, 2025

### TWO HARBORS AREA

	SUMMARY FOR <u>SOLD</u> TRACTS									
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE					
PULP & BOLTS	ASPEN SPECIES	2,908.00	Cd	17.37	50,510.71					
	PAPER BIRCH	197.00	Cd	7.61	1,499.99					
	NORWAY PINE	41.00	Cd	13.26	543.66					
	TAMARACK	440.00	Cd	6.05	2,662.00					
	TAMARACK (optional)	42.00	Cd	-	0.00					
	MIXED SPRUCE	908.00	Cd	8.91	8,093.00					
PULPWOOD	SUGAR MAPLE	19.00	Cd	6.50	123.50					
	BALSAM FIR	244.00	Cd	3.25	793.00					
BIOMASS	ANY LISTED SPECIES (optional)	2,973.00	Tons	-	0.00					

TOTAL SOLD TRACTS CONVERTED TO CORDS: 4,799.00TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 64,225.86TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 64,225.86TOTAL ACRES SOLD: 258.1SOLD TRACT NUMBERS: 1, 3

TOTAL NUMBER OF TRACTS SOLD: 2

# SUMMARY FOR UNSOLD TRACTS

				APPRAISED	
		TOTAL		AVERAGE	APPRAISED
PRODUCT	SPECIES	VOLUME	UNIT		\$ VALUE
PULP & BOLTS	NORWAY PINE	375.00	Cd	3.67	1,376.25
	BALSAM FIR	400.00	Cd	7.52	3,008.00
	TAMARACK	1,250.00	Cd	5.66	7,075.00
	MIXED SPRUCE	1,400.00	Cd	9.63	13,482.00
PULPWOOD	TREMBLING ASPEN (optional)	5.00	Cd	19.00	95.00
	TREMBLING ASPEN	75.00	Cd	16.53	1,239.75
	BALSAM FIR (optional)	70.00	Cd	3.25	227.50
	MIXED SPRUCE	3,820.00	Cd	5.85	22,347.00
BIOMASS	ANY LISTED SPECIES (optional)	3,073.00	Tons	0.65	1,997.45
ΤΟΤΑ	L UNSOLD TRACTS CONVERTED TO CORDS:	7,395.00			
TOTAL APPR	AISED DOLLAR VALUE OF UNSOLD TRACTS:	\$ 48,528.00			
	TOTAL ACRES UNSOLD:	325.3			
	UNSOLD TRACT NUMBERS:	2, 4, 5			
	TOTAL NUMBER OF TRACTS UNSOLD:	3			