

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

STATUS: COMPLETED REGULAR AUCTION - SALE #1 SEALED BID

Notice is hereby given that I offered for sale by sealed bid auction, timber belonging to the State of Minnesota. Bid forms were required to be submitted at the address listed on the bid form prior to 4:30 PM on Wednesday, August 27, 2025. All tracts were awarded at the Bid Awarding at DNR Forestry Hibbing Area Office at 1:00 PM on August 28th. in Hibbing, 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

REGULAR AUCTION SEALED BID TIMBER SALE HIBBING AREA

SEALED BIDS MUST BE RECEIVED PRIOR TO 4:30 PM on August 27, 2025 Bids will be awarded at the following location:

Bid Awarding at DNR Forestry Hibbing Area Office at 1:00 PM on August 28th. in Hibbing, 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. Bids must be submitted on bid forms provided by the State, all bids must be submitted in one or more envelopes, the envelopes should be marked with the auction name. Bid forms may be obtained online at https://www.dnr.state.mn.us/forestry/timbersales/calendar.html or from the Forestry Area Office(s) listed above. Bids may be submitted by mail or in person at any time during regular business hours prior to the bid submission deadline (4:30 PM on August 27, 2025). 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)].

ADVANCE PAYMENT

- The advance payment of fifteen (15) percent of the appraised value of the timber is due within fourteen (14) days from the bid opening date. Advance payments will not be accepted with the bid. Failure to provide the advance payment within 14 days of the bid opening date will result in forfeiture of the permit and the purchaser will be held liable for the advance payment. The successful bidders's advance payment will be kept on deposit by the State and applied against any billings for timber.

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'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 an advance payment and bid guarantee. Security can be furnished in the following forms: Corporate surety bond, 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 advance 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 advance 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 August 27, 2026, at the following Area Headquarters: Hibbing Area.

TRACT B1 COUNTY: ST. LOUIS AREA: HIBBING AREA ACRES: 185.1

Permit Number: B016428 Expiration Date: 05/31/2027

Purchased By:
Address:

NESW,SESE of Section 2; NWNW of Section 13; NWNW,SENW,SESW,SWNW of Section 12; NENE,NESE of Section 11 - Township 58, Range 13W.

				APPRAISED		BID:	
				UNIT		UNIT	
SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+* MIXED SPECIES	BIOMASS	8,900.00	Tons	0.65	5,785.00	0.65	5,785.00
+ BID SPECIES *	SOLD ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$5,785.00 \$867.75	BID TOTA	AL = \$ 5,785.00

Mixed Species Description:

Mixed Species Biomass includes: Ash 1%; Balsam Fir 7%; Black Spruce 10%; Jack Pine 23%; Norway Pine 9%; Paper Birch 2%; Red Maple 1%; Tamarack 6%; Trembling Aspen 41%.

Season of Operations:

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

Sale Conditions:

- Access is across state, county, and USFS land.
- Permission to cross county land must be obtained by permittee.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.
- Best access is across approximately 5.2 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:

- All state ownership painted sale boundaries are identified with both blue flagging and double blue paint. All other painted sale boundaries are identified with single blue paint.
- All access will be off USFS Road 113 (Headwaters Road) which connects to the Skibo Road. This route will require a Road Use Permit. New access approaches into state land will be required for portions of the sale area directly off USFS Road 113. Some portions of the sale area may be accessed off a woods road through state and county land and off USFS Road 113B, which will also require a Road Use Permit. Additionally, access routes off USFS Road 113B through state land and USFS land will need to be used. The state has secured a Special Use Permit for this access. A separate access route via a winter road through USFS and state land will need to be used. The state has requested a Special Use Permit for this access. Permission to cross county land must be obtained by the permittee.
- The entire sale area is extremely rocky.
- The majority of the sale area was burned over from the Jenkins Creek Fire. It is estimated that less than 5% of all species are alive at this time and that some of those living trees will die within the next year.
- The permit holder is required to fill out a "Report of Timber Cut and Removed" form for all SOAV products.
- For more information, contact Corey Skerjance at (218) 735-3954.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Corey Mark Skerjance

COMPLETED - DATA AS OF 09/22/2025

(Appraisal ID 20514-0; Cutting Block ID 23722-0)

TRACT B2 COUNTY: ST. LOUIS AREA: HIBBING AREA ACRES: 66.3

Permit Number: B016429 Expiration Date: 05/31/2027

Purchased By:
Address:

NESE, NESW, NWSE, SESE, SESW, SWSE, SWSW of Section 36 - Township 58, Range 13W.

					APPRAISED		BID:	
SPECIES		PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+* MIXED SPECIES		BIOMASS	2,515.00	Tons	0.65	1,634.75	0.65	1,634.75
+ BID SPECIES	* S	OLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$1,634.75 \$245.21	BID TOTA	AL = \$ 1,634.75

Mixed Species Description:

Mixed Species Biomass includes: Balsam Fir 20%; Jack Pine 2%; Paper Birch 15%; Red Maple 3%; Trembling Aspen 60%.

Season of Operations:

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

Sale Conditions:

- Access is across county and USFS land.
- Permission to cross county land must be obtained by permittee.
- Best access is across approximately 7.75 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:

- 1500 stems/acre of roughly 20-year-old aspen, balsam fir, paper birch, red maple, and jack pine that were killed by the May 12, 2025 Jenkins Creek wildfire.
- DBH ranges from 1-5", with 3" average.
- Height ranges from 15-40' tall (aspen averages 30-40').
- Access to both stands is 3.8 miles down Bundle Lake Road, and then 3.5 miles down the Bundle Lake Spur A Road. Both are National Forest System roads and will require a road use permit. The Bundle Lake Spur A Road is very rocky in places and will require road work. Access to the western stand is off the Bundle Lake Spur A road, and then down a decommissioned Forest Service road and requires a special use permit, which the state will obtain. Access to the eastern stand is a ½ mile off the Bundle Lake Spur A Road down the Bundle Lake Spur AB Road.
- The entire sale area is very rocky.
- The permit holder is required to fill out a "Report of Timber Cut and Removed" form for all SOAV products.
- For more information, contact Pete Greiner at (218) 410-0553

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Peter Thomas Daniel Greiner

08/27/2025 REGULAR AUCTION - SALE #1

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

HIBBING 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: August 27, 2025

HIBBING AREA

SUMMARY FOR <u>UNSOLD</u> TRACTS								
				APPRAISED				
		TOTAL		AVERAGE	APPRAISED			
PRODUCT	SPECIES	VOLUME	UNIT	UNIT PRICE	\$ VALUE			
BIOMASS	MIXED SPECIES	11,415.00	Tons	0.65	7,419.75			

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 4,997.70
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$7,419.75
TOTAL ACRES UNSOLD: 251.4

TOTAL NUMBER OF TRACTS UNSOLD: 2