

**MEMORANDUM  
COUNTY OF PLACER  
ADMINISTRATIVE SERVICES DEPARTMENT  
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors  
FROM: Brett Wood, Purchasing Manager  
DATE: January 5, 2016  
SUBJECT: Biomass Removal Services – CTL Forest Management Inc.

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**ACTION REQUESTED**

Approve the renewal of a negotiated blanket purchase order with CTL Forest Management Inc. of Placerville, CA for biomass removal services in the maximum amount of \$66,000 for the period of January 1, 2016 to December 31, 2016. Funding is provided by the Community Development Resource Agency FY 2015-16 Final Budget and FY 2016-17 Proposed Budget.

**BACKGROUND**

The Planning Services Division of the Community Development Resource Agency (CDRA) requires an annual agreement with a qualified firm to provide biomass removal services. In July 2008 an agreement was executed with Forest Management Inc. (now called CTL Forest Management) for the removal of selected vegetation, or "biomass", from various forested areas within Placer County. The removal process is performed under a permit obtained by the County from the National Forest Service to reduce the impact of potential wildfires. The material is transported to an approved cogeneration plant which burns the material and converts it to energy. The original agreement with CTL Forest Management was effective through June 30, 2009 and was renewed annually by your Board in subsequent years. The current blanket purchase order (BPO) expires on December 31, 2015.

CDRA has determined that continuing this program is beneficial to the County and submitted a request to renew the BPO with CTL Forest Management for an additional year. CTL Forest Management has agreed to renew the BPO for another year with increases to hourly equipment and labor rates ranging from 4.2% to 63.6%. These new rates replace rates that have been held fixed since 2009, and much of the original equipment from CTL's equipment list has been replaced with newer equipment. Purchasing Policy Manual Section 1.3(l) allows for an exception to the competitive process if a service can only be purchased from one supplier, and Purchasing Policy Manual Section 1.3(o) allows for the renewal of this contract based on the vendor's satisfactory performance and to avoid an interruption to the County's operations. CTL Forest Management was originally selected based on unique qualifications to assist the County with a Proof of Concept for biomass materials management in the Tahoe area. This renewal meets both criteria.

Therefore your Board's approval is required to award a new one-year BPO in the CDRA's requested maximum amount of \$66,000 for the period of January 1, 2016 through December 31, 2016.

**FISCAL IMPACT**

The cost of Biomass Removal Services is \$66,000 and currently encumbered in the FY 2015-16 Budget in CDRA Planning Division, appropriation 22330 Biomass program. The Biomass Removal Service is included within the total budgeted project cost of \$82,566.

cc: Michael Johnson, Director - Community Development Resource Agency  
E.J. Ivaldi, Deputy Director - Planning Services Division