



M E M O R A N D U M
DEPARTMENT OF PUBLIC WORKS
ENVIRONMENTAL ENGINEERING DIVISION
County of Placer

TO: Board of Supervisors DATE: May 25, 2021
FROM: Ken Grehm, Director of Public Works
By: Jared Deck, Environmental Engineering Program Manager
SUBJECT: Award Contract for Duncan Hazard Tree Removal Operations / French Meadows Forest Restoration Project

ACTION REQUESTED

1. Reject one task for Task Order 1 for RFQ 20167-2 for the Duncan Hazard Tree Removal Operations and approve the award of the remaining tasks in bid for Task Order 1 for RFQ 20167-2 for the three project implementation agreements to Markit! Forestry Management to perform the designated work for the 2021 work season for the French Meadows Forest Restoration Project.

2. Authorize County Executive Officer, or designee, to execute the contract in the amount of \$221,848 and to execute changes up to 10% of the contract amount consistent with the County Procurement Policy Manual, subject to County Counsel and Risk Management concurrence.

BACKGROUND

On April 27, 2021 your Board approved Modification Number 5 to the Supplemental Project Agreement (SPA) with the U.S. Forest Service (USFS) Tahoe National Forest (TNF) to the previously approved Master Stewardship Agreement (MSA) for the French Meadows Forest Restoration Project (Project), which provides authority to perform mechanical forest thinning operations, mastication of smaller trees, and the removal of material for biomass all in a 22,000 acre region that surrounds French Meadows Reservoir as is a part of the Middle Fork Project (MFP) operational area.

In order to ensure a comprehensive procurement process, a two-step process for this project has occurred. The first step was on December 4, 2018, when your Board approved the qualified list for RFQ No. 100062 which identified firms to provide the Project services described above. The second step is the solicitation process with RFQ 20167-2, the first phase of a 2-step bid solicitation process for the French Meadows Restoration Project 2021 Implementation, released on March 4, 2021. The intent of Phase 1 was to pre-qualify firms to submit priced bids for Phase 2 of the bid solicitation. The three firms on the French Meadows Tree Thinning Qualified List were not required to respond to Phase 1. Seven firms responded by the Phase 1 closing date of March 17, 2021. All Statements of Qualifications were evaluated in accordance with criteria published in the solicitation. Six firms received the minimum total points required for the pre-qualification questions and references and were therefore deemed qualified to submit priced bids for Phase 2 of the bid solicitation.

Department of Public Works (DPW) staff and Procurement Services developed a bid solicitation for hazardous tree and debris pile removal, mastication, tree thinning, and road maintenance work at French Meadows. Invitations for Bids were sent to nine (9) firms for the work. Due to snowbanks blocking access and thus preventing potential bidders from inspecting some of the sites, mastication, tree thinning, and road maintenance bid items were removed from the bid and re-released as a separate bid solicitation with an extended bid period. Only the work of hazardous tree and debris pile removal remained in this bid, the locations of which were accessible to bidders for inspection during the bid process. One (1) priced bid response was received from Markit! Forestry Management in the total amount of \$285,309. Four (4) firms responded with "no bids" due to their current full workloads or because they do not perform this specific type of work. After the bid opening, it was discovered that debris pile removal had previously been awarded by DPW. As a result, Markit! Forestry Management agreed to exclude debris pile removal from the award and honor their bid pricing for the remaining bid items totaling \$221,848. No bid protests were received.

As a part of the funding for this Project, the timber that is harvested by our contractors will be sold to Sierra Pacific Industries (SPI), which owns and operates the only two mills that are within practical driving distance of the Project. Larger logs will be brought to the Lincoln mill and smaller logs will be brought to the Oroville mill to be developed into lumber products. In 2019 a two-year agreement with SPI was signed and in late 2020 staff negotiated another two-year extension to the agreement which is valid for this season. The biomass produced will be sold to Rio Bravo, Rocklin, SPI, or another regional facility to create renewable electricity for the region at market rates to those entities.

The cost of producing these products is normally greater than what they can be sold for at market rates during this operational season; however, any revenue realized will be used to partially defer the cost of the Project. The County's forester consultant and TNF staff will review the terms and, along with County Counsel, ensure appropriate value is realized.

Several agreements were carried over from 2020 due to the unusual fire conditions and lack of capacity at the local timber mill. Those agreements and work are still valid and will be performed as a part of the operations this year. More solicitations will be performed this year and brought to the BOS for approval to try and accommodate all the proposed work on the Project.

An estimated summary of secured and authorized funds that will be utilized to complete this new agreement (more funds are available if needed):

USFS funding	\$186,311
Timber Revenue	\$35,537

In order to move forward with the 2021 work for the Project, Staff recommends that your Board reject one task from Markit! Forestry Management from the original bid solicitation, award the remaining bid items to Markit! Forestry Management and authorize the County Executive Officer, or designee, to execute the contracts and change orders up to 10%. Copies of subject agreement is on file with the Clerk of the Board.

ENVIRONMENTAL IMPACT

Two Notices of Exemption (NOE) were filed for this Project: 1) The Project is consistent with CEQA Guidelines Section 15308 (Class 8 CEQA Categorical Exemption: Actions by Regulatory Agencies for Protection of the Environment) because it is an action authorized by the Placer County Grading Ordinance that will help assure the maintenance, restoration, enhancement, or protection of the environment, and the regulatory process involves procedures for protection of the environment. This exemption was filed on December 21, 2018; and 2) The Project is consistent with Senate Bill (SB) 901. SB 901 provides that until January 1, 2023, CEQA would not apply to prescribed fire, thinning, or fuel reduction projects undertaken on federal lands to reduce the risk of high-severity wildfire that have been reviewed under the National Environmental Policy Act (NEPA). This exemption was filed on January 24, 2019. The NEPA Decision Notice for the French Meadows Restoration Project was signed by the TNF Forest Supervisor on December 12, 2018.

FISCAL IMPACT

Access to the approximately \$222,000 in secured funding will be available from the USFS (PJ 00891) and timber revenues (PJ 01165) on a reimbursable basis to use during the 2021 implementation season. The grant funding for MFP nexus projects is budgeted in the Community and Agency Support appropriation during each fiscal year based on planned use.

ATTACHMENTS

None

On file with Clerk of the Board: Agreement with Markit! Forestry Management