



**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: June 8, 2021

FROM: Ken Grehm, Director of Public Works

By: Jared Deck, Environmental Engineering Program Manager

SUBJECT: Award Contracts / French Meadows Forest Restoration Project

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**ACTIONS REQUESTED**

1. Reject 1 bid for Task Order 2 for RFQ 20167-3 for the French Meadows Tree Thinning qualified list and approve the awards of the remaining bids for Task Order 2 for RFQ 20167-3 for the two project implementation agreements to Markit! Forestry Management LLC and Summitt Forests, Inc. to perform the designated work during the 2021 work season for the French Meadows Forest Restoration Project.
2. Authorize the County Executive Officer, or designee, to execute the contract with Markit! Forestry Management LLC in the amount of \$612,732.20 and to execute contract change orders up to \$43,136.61 in accordance with the Public Contract Code, subject to County Counsel and Risk Management concurrence.
3. Authorize the County Executive Officer, or designee, to execute the contract with Summitt Forests, Inc. in the amount of \$81,156.60 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 20167-3, 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. All Statements of Qualifications were evaluated in accordance with criteria published in the solicitation. The nine firms either were on the French Meadows Tree Thinning Qualified List or 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, and tree thinning work at French Meadows. Invitations for Bids were sent to nine (9) firms for the work.

The forestry related bids were received from three of the nine contractors on May 14, 2021. Bid responses were evaluated on a work item basis and unit prices were compared with the County's estimates. The low bid prices for all of the work items were within the County's estimates.

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.

More solicitations will be performed this year and brought to your Board for approval to attempt to accommodate all the proposed work on the Project.

An estimated summary of secured and authorized funds that will be utilized to complete the 2021 work on this Project is below (more funds are available if needed):

Timber Receipts	\$300,000
Cal Fire funding (via Sierra Nevada Conservancy (SNC) Agreement)	\$350,000
The Nature Conservancy (TNC) Agreement	\$350,000
Total	\$1,000,000

In order to move forward with the 2021 work for the Project, Staff recommends that your Board reject one bid from Red Mtn. Resource LLC for forestry work, award fourteen forestry bid items to Markit! Forestry Management LLC, award one forestry bid item to Summitt Forests, Inc., and authorize the County Executive Officer, or designee, to execute the contracts and change orders. Copies of subject contracts are 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 wildlife 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 \$1,000,000 in secured funding will be available from the SNC / Cal Fire grant (PJ 01187), TNC grant (PJ 01759) 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: Markit! Forestry Management LLC Contract  
Summitt Forests, Inc. Contract