

EXHIBIT 5
DATE 3.4.05
SB 96



F. H. STOLTZE LAND & LUMBER COMPANY

Lumber Manufacturers

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Established in 1912
Affiliations:



Charter Member

Montana House of Representatives
Natural Resource Committee

Dear Committee Members:

Today you are considering Senate Bill No. 96, which will allow the Department of Natural Resources to directly manufacture and sell logs.

I urge you to not pass this legislation for the following reasons:

1. This type of sale will require more time to prepare and administer than regular timber sales.
2. Purchasers of the product will need to factor in the quality of the product they will be receiving in their bid price. If there are unknowns, the bid price will be less.
3. Sawmill owners need to have control of the quality and timing of product delivery to best meet their needs. Without this control, price paid will be lower.
4. This proposal will not result in more saw timber being sold by the department. They are just taking part of their regular sell volume and selling it as a manufactured product.
5. Unless the product is sold by the ton, additional costs will be incurred to determine the sale quantity.
6. Local logging contractors may not get the bid to produce the product.
7. With the state becoming the contractor, they will be acquiring a much greater liability to provide a safe workplace.
8. A check of 3 mill owners in Washington State, indicated that their program had problems providing quality product and timely deliveries. It resulted in additional costs for third party scaling. Direct log sales have caused the preparation time of the regular timber sale program to fall behind schedule.

Flathead Valley



Member Since 1960

As a mill owner, I believe the State will receive more revenue at the least cost continuing their current timber sales program.

Again, I urge you to not pass this bill.

Thank you.

Sincerely,

F.H. STOLTZE LAND & LBR CO.

Ronald Buentemeier

Ronald Buentemeier
Vice-President/General Manager