

EQC Agency Oversight Subcommittee Meeting

Monday, January 14, 2008

Contract Harvesting Bill Overview (SB 25)

- SB 25 (Contract Harvesting) passed in 07 Legislative Session.
- This bill allows the Department to directly contract with individuals and firms for the harvesting, sorting, and transportation of timber from state lands and to market and sell the resultant forest products to the highest bidder.
- Involves two processes – the Contract Harvesting and the Marketing and Sale of Forest Products.
- Funding for implementation becomes available in FY 2009. The initial funding is sufficient to do about 1 MMBF in FY 2009.

So what have we done since the passage of SB 25?

The Forest Management Bureau (FMB) has taken a number of steps to move the Program towards implementation which include:

- August 23 & 24 - Met with Washington DNR representatives to discuss their contract harvesting program and their methods for implementation such as developing a qualified bidder pool of contractors, bonding requirements, tracking systems, and lessons that they have learned along the way.
- November 6 - Met with representatives from the Montana Loggers Association to solicit ideas and suggestions for the development of a Pre-Qualified Bidders Pool of Contractors to conduct the harvesting including the RFQ, Bid Process, Bonding Requirements, Training Requirements, etc.
- We are currently in the process of creating draft implementation documents such as the Request for Qualifications (RFQ) to qualify logging contractors, Request for Bid (RFB) for the qualified bidders on a specific project, the Timber Harvesting Contract, and the Request for Bid for the sale of Forest Products and the Forest Products Sale Agreement. These drafts will be sent out to members who were involved in drafting the White Paper for review and comment.
- Currently working with our field foresters to identify potential pilot projects. The goal is to implement a couple of pilot projects to assess what specifically needs to be addressed through the rule-making process. (Existing vs new Rules)
- Discuss with local industry and specialty outlets the pros and cons of different types of bidding procedures that facilitate and reward proper log sorts, utilization, tracking, and operation.