

Memorandum

REPORT TO: City Commission

FROM: Heaston

SUBJECT: Authorize the City Manager to sign a Professional Services Agreement with Peck Forestry, Inc. for Sourdough Municipal Watershed Fuels Reduction Activities

MEETING DATE: June 2, 2026

AGENDA ITEM TYPE: Agreement - Vendor/Contract

RECOMMENDATION: Authorize the City Manager to sign a Professional Services Agreement with Peck Forestry, Inc. for Sourdough Municipal Watershed Fuels Reduction Activities

STRATEGIC PLAN: 4.3 Strategic Infrastructure Choices: Prioritize long-term investment and maintenance for existing and new infrastructure.

BACKGROUND: Peck Forestry, Inc. was selected to perform professional forestry services for the Sourdough Municipal Watershed Fuels Reduction Project in 2019 upon completion of a publicly noticed public procurement process. The attached professional services agreement engages Peck Forestry for the next phase of fuels reduction activities near the City's Sourdough municipal water supply intake.

Peck Forestry completed the 2010 Forest Management Plan for the City's 4,000 timbered acre landholdings in Sourdough Canyon. This plan has served as a foundational document for the City's fuels reduction implementation efforts that have been conducted in conjunction with complementary federal fuels reduction efforts under the United States Forest Service's (USFS) Bozeman Municipal Watershed Project.

The City is presently working with Gallatin County to secure an allocation of grant dollars held and administered by the County's disaster and emergency services (DES) department for the purpose of wildfire risk reduction within the Gallatin Priority Fireshed Area. The priority area includes City-owned timbered land in Sourdough Canyon.

A fuels reduction project is being planned, utilizing the County's grant allocation for implementation purposes, along with a City cash match, to continue the City's fuels reduction efforts in the Sourdough municipal watershed. Fuels reduction will reduce wildfire risk to critical municipal drinking water infrastructure. Peck Forestry will assist with project planning

and layout to define the scope of the project, as well as oversight of work to be contracted by Gallatin County that will prosecute the project.

UNRESOLVED ISSUES: City staff are presently working with Gallatin County DES on a grant agreement that will fund the fuels reduction project activities that this PSA engages Peck Forestry to help plan and implement. That future agreement will set forth a match requirement for the City. The City has \$120,000 planned appropriation in its upcoming FY27 water fund CIP for project 'W172 - Ph4 Sourdough Fuels Reduction Grant Match', which will provide the required grant match.

ALTERNATIVES: As suggested by the City Commission.

FISCAL EFFECTS: The FY26 water treatment plant (WTP) operating budget provides a line item for contracted professional forestry services that has sufficient budget to cover expenditures under the PSA occurring in FY26.

Attachments:

[2026 PSA - Sourdough Fuels Reduction.pdf](#)

Report compiled on: May 20, 2026