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**Title:** Actions pertaining to a requirements contract to Rehabilitate Public Water Supply Wells in North Quadrant (Bid File 9617) (Districts 2 & 6):

1. Adopt a finding of Categorical Exemption pursuant to Section 15301/Class 1 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines for the rehabilitations of public water supply wells No. 98, 128, 130, 176, 185, 186, and 187.
2. Award a requirements contract to Zim Industries, Inc., for a term of one year in the amount not to exceed \$825,680 per year, with provision for up to two one-year extensions.

**Sponsors:** Department of Public Utilities

**Indexes:**

**Code sections:**

**Attachments:** 1. Attachment 1 - Notice of Exemption.pdf, 2. Attachment 2 - Bid Evaluation and Fiscal Impact Statement.pdf, 3. Attachment 3 - Sample Contract.pdf

Date	Ver.	Action By	Action	Result
12/9/2021	1	City Council	approved	

**REPORT TO THE CITY COUNCIL**

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**SUBJECT**

Actions pertaining to a requirements contract to Rehabilitate Public Water Supply Wells in North Quadrant (Bid File 9617) (Districts 2 & 6):

1. Adopt a finding of Categorical Exemption pursuant to Section 15301/Class 1 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines for the rehabilitations of public water supply wells No. 98, 128, 130, 176, 185, 186, and 187.
2. Award a requirements contract to Zim Industries, Inc., for a term of one year in the amount not to exceed \$825,680 per year, with provision for up to two one-year extensions.

**RECOMMENDATIONS**

Staff recommends that City Council adopt a finding of Categorical Exemption pursuant to Section

15301/Class 1 (Existing Facilities) of the California Environmental Quality Act Guidelines for the rehabilitations of public water supply wells No. 98, 128, 130, 176, 185, 186, and 187; award a requirements contract to Rehabilitate Public Water Supply Wells in North Quadrant (Project) to Zim Industries, Inc., for a term of one year in the amount not to exceed \$825,680 per year, with provisions for up to two one-year extensions; and authorize the Director of Public Utilities, or designee, to sign and execute all documents on behalf of the City of Fresno (City).

## **EXECUTIVE SUMMARY**

The Department of Public Utilities (DPU) is seeking to award a requirements contract for the Project for a term of one year in the amount not to exceed \$825,680 per year to Zim Industries, Inc., with provisions for up to two one-year extensions. Award of the contract would contribute towards the goal of placing the public water supply wells on regular cleaning and rehabilitation intervals thereby ensuring reliable operation of the City's drinking water and recycled water systems.

## **BACKGROUND**

The City has approximately 260 operable wells in the public water supply system. Industry standards set by the American Water Works Association recommend rehabilitating each well at 10-year intervals to optimize the life of the steel casings, to keep the water bearing formations in the aquifer clear of blockages, and to remove buildup of mineral deposits on the casing perforations. To achieve the recommended rehabilitation intervals, the City would need to rehabilitate approximately twenty-six (26) public water supply wells every year.

The winning bidder of this requirements contract is expected to rehabilitate 4 to 5 public water supply wells every year. Rehabilitation for the remaining 22 public water supply wells each year will be included in multiple future requirements contracts for specific regions of the City. DPU staff have assembled a priority list for those wells in need of rehabilitation, including Wells 98, 128, 130, 176, 185, 186, and 187. The order of rehabilitation will depend on the needs and status of the water system following awarding of the contract.

Specifications were prepared for this Project, which were reviewed and approved by the Construction Management Division, the Purchasing Unit, and the City Attorney's Office. A Notice Inviting Bids was published on September 3, 2021 and posted on the City's Planet Bids website. One (1) sealed bid proposal was received and publicly opened on October 12, 2021. The bid proposal was \$825,680.00. The bid will expire within 64 days of bid opening, on December 15, 2021.

Zim Industries, Inc. was found to be the lowest responsive and responsible bidder with a bid amount of \$825,680. Staff recommends that City Council award a requirements contract to Zim Industries, Inc for a term of one year in the amount not to exceed \$825,680 per year, with provisions for up to two one-year extensions.

## **ENVIRONMENTAL FINDINGS**

Staff have performed a preliminary environmental assessment for this Project and, in accordance with the requirements of the CEQA Guideline, have determined it is consistent with a Class 1 Categorical Exemption Section 15301 (Existing Facilities). This Project entails typical maintenance of an existing public facility involving no expansion of existing use. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this Project.

The determination was reviewed and approved by the City Attorney's Office.

## **LOCAL PREFERENCE**

The lowest responsive and responsible bidder is a local business pursuant to the Fresno Municipal Code Section 4-108(d).

## **FISCAL IMPACT**

There is no impact to the General Fund. This Project is Citywide. This Project is identified in the Water Division's five-year Capital Improvements plan. Funds in the amount of \$825,680 for this Project are budgeted in the Fiscal Year 2022 Water Enterprise Fund 40101, and future expenditures will be included in future fiscal year budgets.

### **Attachments:**

Attachment 1 - Notice of Exemption

Attachment 2 - Bid Evaluation and Fiscal Impact Statement

Attachment 3 - Sample Contract