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Title: Actions pertaining to awarding contract for well rehabilitation:
1. Adopt finding of a Categorical Exemption per staff determination pursuant to Section 15301 of the California Environmental Quality Act Guidelines, and
2. Award a contract in the amount of \$237,680 to Zim Industries, Incorporated, to furnish and install 14-inch Ful-Flow liner and Gravel Pack to rehabilitate the potable water well at Pump Station 244 - Bid File 3360 (Council District 2)

Sponsors: Department of Public Utilities

Indexes:

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Attachments: 1. Bid Evaluation 3360.pdf

Date	Ver.	Action By	Action	Result
4/9/2015	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

April 9, 2015

FROM: THOMAS C. ESQUEDA, Director
Department of Public Utilities

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Department of Public Utilities - Water Division

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Department of Public Utilities - Water Division

SUBJECT

Actions pertaining to awarding contract for well rehabilitation:

1. Adopt finding of a Categorical Exemption per staff determination pursuant to Section 15301 of the California Environmental Quality Act Guidelines, and
2. Award a contract in the amount of \$237,680 to Zim Industries, Incorporated, to furnish and install 14-inch Ful-Flow liner and Gravel Pack to rehabilitate the potable water well at Pump Station 244 - Bid File 3360 (Council District 2)

RECOMMENDATIONS

Staff Recommends that Council:

1. Adopt finding of Class 1 Categorical Exemption, pursuant to Section 15301 of the California Environmental Quality Act ("CEQA") Guidelines, as this contract is for the rehabilitation of the existing well at Pump Station 244 (PS 244) located at 5405 North Del Mar Avenue, which will not result in the expansion of capacity of the existing well.
2. Award a contract in the amount of \$237,680 to Zim Industries, Incorporated ("Zim") to furnish and install a 14-inch Ful-Flow liner and Gravel Pack to rehabilitate the potable water well at PS 244.

EXECUTIVE SUMMARY

The Department of Public Utilities - Water Division, solicited contractor services to furnish and install a 14-inch Ful-Flow liner and gravel pack to the potable water well at PS 244. Zim was found to be the lowest responsive and responsible bidder with a bid amount of \$237,680. This new Ful-Flow liner and gravel pack will be installed in the existing potable water well in order to rehabilitate its life and eliminate excessive sand content.

Funding for this contract is included in the FY2015 budget. Staff recommends award of a contract to Zim for these services in the amount of \$237,680.

BACKGROUND

The Department of Public Utilities - Water Division, maintains a network of 260 plus municipal water supply wells providing approximately 88 percent of the City's potable water. PS 244 is a 16-inch well that was drilled in 1964 at a depth of 340 feet. It produces over 1,000 gallons per minute with an excessive sand content due to the antiquated style vertical slot perforated casing, corrosion of the casing, and lack of gravel pack. By adding a Ful-Flow stainless steel perforated liner and gravel pack, the well will be able to maintain its current production rate with no sand production, thus allowing the removal of the surge tank for the accumulation of sand and maintenance of the tank. Due to the well location, it is critical to maintaining water pressure during peak months of production.

A Notice Inviting Bids was published on February 6, 2015, per the City of Fresno Charter Section 1208. Fourteen (14) Building Exchanges were faxed the Notice Inviting Bids, and three specifications were distributed to prospective bidders. The bid opening was on March 3, 2015, and the bid will expire on May 6, 2015. Due to ongoing drought conditions, water well drillers are in extremely high demand and find drilling new wells more advantageous than rehabilitating existing wells. Therefore, only one bid was received. However, it was below the engineer's estimate. The sole bidder was Zim for \$237,680, which is considered the lowest responsive and responsible bidder. The Notice of Staff Determination of Contract Award was posted on the City's website on March 17, 2015.

ENVIRONMENTAL FINDINGS

Staff has performed a preliminary environmental assessment of this project and has determined that it falls within the Class 1 Categorical Exemption set forth in CEQA Guidelines, Section 15301, as this contract is for the rehabilitation of the existing well at PS 244 located at 5405 North Del Mar Avenue and will not result in the expansion of capacity of the existing well. Furthermore, none of the exceptions to the Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to

this project.

LOCAL PREFERENCE

Local preference did not affect the award of this contract since the lone bidder qualifies as a local business according to the Fresno Municipal Section 4-108(b), and is within the allowable preference.

FISCAL IMPACT

Funds for the rehabilitation of PS 244 are included in the Water Division's FY2015 Capital Improvement Program budget within the Water Enterprise Fund (40101). Funding for the rehabilitation of water wells was included in the water rate model used to create the five-year utility rate plan and subsequently adopted by City Council on February 26, 2015.

Attachment: Bid Evaluation