

September 18, 2007

AGENDA ITEM NO.

COUNCIL MEETING

APPROVED BY

DEPARTMENT DIRECTOR

CITY MANAGER

**FROM:** RENE A. RAMIREZ, Director   
Department of Public Utilities

**BY:** ROBERT N. ANDERSEN P.E., Assistant Director   
Department of Utilities

**SUBJECT:** ADOPT THE 16<sup>TH</sup> AMENDMENT TO THE ANNUAL APPROPRIATION  
RESOLUTION 2007-214 TO APPROPRIATE \$1,334,800 FOR CONSTRUCTION OF  
PHASE 2 GROUNDWATER REMEDIATION AT THE FRESNO SANITARY LANDFILL  
AND

AWARD A CONTRACT TO ZIM INDUSTRIES INC. IN THE AMOUNT OF \$1,209,725.00  
FOR THE CONSTRUCTION OF PHASE 2 GROUNDWATER REMEDIATION AT THE  
FRESNO SANITARY LANDFILL (DISTRICT 3)

#### KEY RESULT AREA

One Fresno

#### RECOMMENDATION

Staff recommends that the City Council award a contract in the amount of \$1,209,725.00 to ZIM Industries Inc. as the lowest responsive and responsible bidder.

#### EXECUTIVE SUMMARY

This project is for the installation of two new extraction wells, associated piping, instrumentation, connection to the existing treatment plant and software for monitoring. Also included is the replacement of an existing extraction well. This project removes water from the plume beneath the landfill and connects to the existing treatment plant at the site.

#### KEY OBJECTIVE BALANCE

The project goal is to continue the clean up of the plume beneath the Fresno Sanitary Landfill which will lead to customer and employee satisfaction. This project was competitively bid which adheres to the key objective of prudent fiscal management.

## **BACKGROUND**

This project is for the installation of 2 new extraction wells, associated piping, instrumentation, connection to the existing treatment plant and software for monitoring. Also included is the replacement of an existing extraction well. This project removes water from the plume beneath the landfill and connects to the existing treatment plant at the site.

Plans and Specifications were prepared and a Notice of Inviting Bids was published in the Business Journal on July 23, 2007, posted on the City's website and faxed to seven (7) builder exchanges. The specifications were distributed to twenty-three (23) prospective bidders. One bid proposal were received and opened in a public bid opening on August 16, 2007.

ZIM Industries Inc. submitted the lowest bid price in the amount of \$1,209,725.00 and is considered the lowest responsive and responsible bidder. Staff recommends that the City Council

1. Adopt the 16th Amendment to the Annual Appropriations Resolution 2007-214 to appropriate \$833,700 for the Phase 2 Groundwater Remediation Project and,
2. Award a contract in the amount of \$1,209,725.00 to ZIM Industries Inc.

The project will be completed in 80 working days from issuance of Notice to Proceed.

## **FISCAL IMPACT**

See attached.

## FISCAL IMPACT STATEMENT

PROGRAM: GC00012- Groundwater Remediation

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$1,209,725</u>	_____
Indirect Cost	<u>\$ 65,000</u>	_____
TOTAL COST	<u>\$1,274,725</u>	_____
Additional Revenue or Savings Generated	<u>-0-</u>	_____
Net City Cost	<u>\$1,274,725</u>	_____
Amount Budgeted (If none budgeted, identify source)	<u>\$1,274,725</u>	_____
Indirect Costs consist of:		
Inspection	\$60,000.00	
Project Mgmt.	<u>\$ 5,000.00</u>	
	\$65,000.00	

## FISCAL IMPACT STATEMENT

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Direct Cost	<u>\$1,209,725</u>	_____
Indirect Cost	<u>\$ 65,000</u>	_____
<b>TOTAL COST</b>	<u><b>\$1,274,725</b></u>	_____
Additional Revenue or Savings Generated	<u>-0-</u>	_____
<b>Net City Cost</b>	<u><b>\$1,274,725</b></u>	_____
Amount Budgeted (If none budgeted, identify source)	<u>\$1,274,725</u>	_____
Indirect Costs consist of:		
Inspection	\$60,000.00	
<u>Project Mgmt.</u>	<u>\$ 5,000.00</u>	
	\$65,000.00	

**EVALUATION OF BID PROPOSALS**

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FOR: PHASE 2 GROUNDWATER REMEDIATION FRESNO SANITARY LANDFILL

Bid File No. 2715  
Bid Opening: August 16, 2007

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<b>BIDDERS'S</b>	<b>TOTAL NET BID AMOUNT</b>
1. Zim Industries, Inc. 4545 E Lincoln Fresno, CA 93725	\$1,209,725.00

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Each bidder has agreed to allow the City sixty-two (62) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Wednesday, September 12, 2007, 5:00 P.M.

The Engineer's Estimate for this expenditure is \$ 1,100,000.00 . The contract price is 10 % above the Engineer's Estimate. If the overage is greater than 10% or only one bid was received, give explanation:

Due to this years drought, all of the well drilling companies have been extremely busy drilling wells for farmers who rely on the canal water deliveries for irrigation. This years deliveries were cut short so it has been difficult to get bids from well drillers.

**BACKGROUND OF PROJECT** (To be completed by Evaluating Department/  
Division. Explain need for project/equipment):

The scope of work includes installation of 2 new extraction wells, associated piping, instrumentation, connection to the existing treatment plant and software for monitoring. Also included is the replacement of an existing extraction well. This project removes water from the plume beneath the landfill and connects to the existing treatment plant at the site.

**EVALUATION OF BID PROPOSALS**

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FOR: PHASE 2 GROUNDWATER REMEDIATION FRESNO SANITARY LANDFILL

Bid File No. 2715  
Bid Opening: August 16, 2007

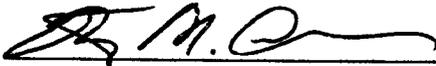
**DEPARTMENT CONCLUSIONS AND RECOMMENDATION:**

Award a contract in the amount of \$ 1,209,725.00  
to Zim Industries, Inc. as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason:

Department Head Approval



Title: Assistant Director of DPU

Date 8/21/07

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Approve Dept. Recommendation | <input type="checkbox"/> Approve GSD/Purchasing Recommendation |
| <input type="checkbox"/> Disapprove                              | <input type="checkbox"/> Disapprove                            |
| <input type="checkbox"/> See Attachment                          |  |

GENERAL SERVICES DEPARTMENT

CITY MANAGER

  
Purchasing Manager Date

  
City Manager or Designee Date

  
Director Date

**RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO ADOPTING THE 16<sup>th</sup> AMENDMENT TO THE ANNUAL APPROPRIATION RESOLUTION NO. 2007-214 APPROPRIATING \$1,334,800 FOR CONSTRUCTION OF PHASE TWO GROUNDWATER REMEDIATION AT THE FRESNO SANITARY LANDFILL

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRESNO:

THAT PART III of the Annual Appropriation Resolution No. 2007-214 be and is hereby amended as follows:

	<u>Increase/(Decrease)</u>
TO: DEPARTMENT OF PUBLIC UTILITIES	
City Landfill Closure	\$1,334,800

THAT account titles and numbers requiring adjustment by this Resolution are as follows:

Solid Waste Rate Stabilization

Retained Earnings:	
Account: <b>25300</b> Unreserved/Undesignated	\$ <u>833,800</u>
Fund: <b>41005</b>	
Org Unit: <b>412201</b>	
Total Retained Earnings	\$ <u>833,800</u>

Revenues:	
Account: <b>44910</b> Transfer to Other Fund	\$ <u>(833,800)</u>
Fund: <b>41005</b>	
Org Unit: <b>412201</b>	
Total Revenues	\$ <u>(833,800)</u>

City Landfill Closure

Revenues:	
Account: <b>30101</b> Transfer from Fund Balance	\$ 501,000
<b>43910</b> Transfer from Other Fund	<u>833,800</u>
Fund: <b>41003</b>	
Org Unit: <b>412501</b>	
Total Revenues	\$ <u>1,334,800</u>

	<u>Increase/(Decrease)</u>
Appropriations:	
Account: <b>51101</b> Permanent Salaries	\$ 60,000
<b>51102</b> Permanent Fringe	5,000
<b>57507</b> Contract Construction	1,209,800
<b>61001</b> Contingency/Reserve	<u>60,000</u>
Fund: <b>41003</b>	
Org Unit: <b>412501</b>	
Project: <b>GC000012</b>	
KRA: <b>0401001000</b>	
Total Appropriations	<u>\$ 1,334,800</u>

THAT the purpose is to appropriate \$1,334,800 for construction of phase two groundwater remediation at the Fresno Sanitary Landfill.

**CLERK'S CERTIFICATION**

STATE OF CALIFORNIA }  
COUNTY OF FRESNO } ss.  
CITY OF FRESNO }

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing Resolution was adopted by the Council of the City of Fresno, California, at a regular meeting thereof, held on the \_\_\_\_\_ Day of \_\_\_\_\_, 2007

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

Mayor Approval: \_\_\_\_\_, 2007  
Mayor Approval/No Return: \_\_\_\_\_, 2007  
Mayor Veto: \_\_\_\_\_, 2007  
Council Override Veto: \_\_\_\_\_, 2007

REBECCA E. KLISCH  
City Clerk

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