



## AGENDA MEMORANDUM

Action Item for the City Council Meeting August 20, 2024

**DATE:** August 20, 2024

**TO:** Peter Zanoni, City Manager

**FROM:** David Lehfeldt, Director of Solid Waste Services  
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### Welding and Fabrication Services for Solid Waste

#### **CAPTION:**

Motion authorizing execution of a one-year service agreement, with two one-year options, with Horacio Carrillo III, dba Carrillo's Welding Services "CWS", of Corpus Christi, in an amount not to exceed \$104,100.00, with a potential amount up to \$312,300.00 if options are exercised, for welding and fabrication services for Solid Waste Services, with FY 2024 funding of \$8,675.00 from the General Fund.

#### **SUMMARY:**

This is a motion to approve a service agreement with Carrillo's Welding Services for as-needed welding services for Solid Waste Services.

#### **BACKGROUND AND FINDINGS:**

Solid Waste Services has the need for licensed welding services on an intermittent basis that are not typically supplied by Asset Management. Service needs include the repair of steel roll-off boxes, infrastructure at both JC Elliott Transfer Station and Cefe Valenzuela Landfill, and aluminum transfer trailers. Having a service agreement with a licensed welder allows for efficient repair and maintenance of Solid Waste Equipment and Buildings. This keeps production available and ensures compliance with state permit requirements. The agreement includes labor and materials.

#### **PROCUREMENT DETAIL:**

Finance & Procurement conducted a first-time competitive Request for Bid process to obtain bids

for a long-term contract from qualified firms with experience in providing welding and fabrication services. 557 notifications were sent to potential bidders, and the City received three bids. Staff is recommending award to the lowest responsive, responsible bidder, Horacio Carrillo, dba Carrillo's Welding Services "CWS".

The recommended Contractor has previously fulfilled multiple smaller contracts and staff is confident that the company will continue to provide satisfactory services and is recommending Carrillo's Welding Services for award.

The table below reflects the cost comparison from 2023 to 2024.

<b>Welding and Fabrication Services</b>			
<b>2023 Pricing Carrillo's Welding Services</b>	<b>2024 Pricing Carrillo's Welding Services</b>	<b>Price Variance 2023 to 2024</b>	<b>% Price Increase</b>
\$48 Hourly Labor Fee	\$58 Hourly Labor Fee	\$10 Hourly Labor Fee	20.83 %

#### **ALTERNATIVES:**

Not to make repairs needed and experience lost production and deterioration of equipment and infrastructure. Solid Waste could hire a welder and establish purchase agreements for materials with suppliers, but this is not cost effective.

#### **FISCAL IMPACT:**

This fiscal impact for FY 2024 is a total amount of \$8,675.00 in the General Fund.

#### **FUNDING DETAIL:**

Fund: 1020 General Fund  
 Organization/Activity: 12504 JC Elliott Transfer Station  
 Department: 31 Solid Waste Services  
 Project # (CIP Only):  
 Account: 530000 Professional services \$2,320.00  
 530230 Equipment maintenance \$1,150.00

Fund: 1020 General Fund  
 Organization/Activity: 12513 Sludge Hauling  
 Department: 31 Solid Waste Services  
 Project # (CIP Only):  
 Account: 530000 Professional services \$3,480.00  
 530230 Equipment maintenance \$1,725.00

**RECOMMENDATION:**

Staff recommends approval of this motion authorizing the execution of a one-year service agreement, with two one-year options, with Horacio Carrillo III, dba Carrillo's Welding Services "CWS" of Corpus Christi, as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Service Agreement  
Bid Tab