



AGENDA MEMORANDUM

Action Item for the City Council Meeting July 20, 2021

DATE: July 20, 2021

TO: Peter Zanoni, City Manager

FROM: Charles Mendoza, Director of Asset Management
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Welding Services for Asset Management, Fleet Division

CAPTION:

Motion authorizing a three-year service agreement with Horacio Carrillo III, dba Carrillo's Welding Services "CWS" of Corpus Christi, Texas for an amount not to exceed \$480,000.00, for Welding Services for Asset Management, Fleet Division, with FY 2021 funding in the amount of \$27,000.00 available through the Fleet Maintenance Fund.

SUMMARY:

This item is to approve a service agreement with Horacio Carrillo III, dba Carrillo's Welding Services "CWS" for as-needed welding services for Asset Management, Fleet Maintenance Division.

BACKGROUND AND FINDINGS:

Fleet Maintenance needs a certified welder to repair various equipment such as garbage trucks, dump bodies, frontend loaders, lawnmowers, and any other City owned Fleet equipment, on an as-needed basis. Fleet Maintenance staff provide minor welding requirements, but it is determined that an outside contract will best meet the needs of the department.

PROCUREMENT DETAIL:

The Purchasing Division conducted a competitive RFB process to obtain bids. The City received two responsive bids. Staff is recommending Horacio Carrillo III, dba Carrillo's Welding Services "CWS" of Corpus Christi, Texas the lowest, responsive, responsible bidder to provide as needed welding services. This is the second long-term contract for welding services with Carrillo's Welding Services. Contractor has been awarded several smaller contracts and has an hourly rate that has been 50%-60% the rate of other competitive welding firms.

ALTERNATIVES:

The alternative to not approving this service would be that Asset Management, Fleet Division would make repairs with limited staff which or the Division would need to obtain quotes for every welding need, this would not be as productive and time consuming.

FISCAL IMPACT:

The fiscal impact for Asset Management in FY2021 is estimated at \$27,000.00 for this three year service agreement. The remaining amount of \$453,000.00 will be budgeted in future years through the annual budget process.

FUNDING DETAIL:

Fund:	5110 Fleet Maintenance Svc
Organization/Activity:	40170 Fleet Operations
Mission Element:	202 Maintain the Fleet
Project # (CIP Only):	N/A
Account:	530100 Vehicle Repairs

RECOMMENDATION:

Staff recommends the approval of this agreement with Carrillo's Welding Services "CWS" of Corpus Christi, Texas for Welding Services for Asset Management, Fleet Division as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tab
Service Agreement