

City Council-Regular

Meeting Date: 11/20/2023

Initiated By: Steve E. Landin, Assistant City Manager/Acting Chief of Police

Staff Source: John Porter, Solid Waste Services Department Director; Mark DeMay, Finance Department Director, Miguel A. Pescador, Purchasing Agent

SUBJECT

Consideration to renew contract FY22-009 with Gutierrez Machine and Welding Shop, Laredo, Texas in the amount of \$100,000.00 for providing welding repair and fabrication services for the Solid Waste Services Department. Services include, but are not limited to, repairs to equipment or items brought to the shop that require welding or fabrication. The term of this contract shall be for a period of one year beginning as of the date of its execution and is contingent upon the availability of appropriated funds. This is the second of three-year extension periods. All services will be secured on an as-needed basis. Funding is available in the Solid Waste Services Department Fund.

VENDOR INFORMATION FOR COMMITTEE AGENDA

None.

PREVIOUS COUNCIL ACTION

Approved a one-year contract on 11/28/22.

BACKGROUND

This contract establishes an hourly rate for metal repair and fabrication services. These metal repair services shall include the installation, alteration, and repairs to equipment or items brought to the shop that require welding or fabrication. There was no price increase during the last extension period. This is the second of three extension periods.

The term of this contract shall be for a period of one (1) year beginning as of the date of its execution. The contract may be extended for one, additional one (1) year periods. Should the vendor desire to extend the contract for the additional one-year period, it must so notify the City in writing no later than sixty (60) days before the expiration of the prior term. Such notification shall be effective upon actual receipt by the City. Renewals shall be in writing and signed by the City's Purchasing Manager & City Manager or his designee, without further action by the Laredo City Council, subject to and contingent upon appropriation of funding therefore. All annual contracts shall bound by the terms of the bid documents. The City shall also have the right to extend this contract under the same terms and conditions beyond the original term or any renewal thereof, on a month-to-month basis, not to exceed 3 months. Said

month-to-month extensions shall be in writing, signed by the City's Purchasing Manager & City Manager or his designee, and shall not require City Council approval, subject to and contingent upon appropriation of funding therefore. The City reserves the right to renew or rebid this contract, if the appropriated funds initially approved by City Council are exhausted before the contract expiration date. This contract will be the responsibility of and administered by the vendor and the City of Laredo Solid Waste Services Department.

Current Contract Pricing:

	Gutierrez Machine Shop Laredo, TX
Description	Unit Price
Regular Hourly Pay Rate	\$45.00 /Hour
Overtime Rate	\$67.50/Hour
Holiday/Weekend Hourly Rate	\$67.50/Hour
Service Call Pay Rate after 5:01 PM	\$67.50/Hour
Machine Shop Service Rate (8:00 AM to 5:00 PM)	\$40.00/Hour
Machine Shop Service Rate (After 5:00 PM, Weekends, Holidays)	\$60.00/Hour
Work Site Service (8:00 AM to 5:00 PM)	\$45.00/Hour
Work Site Service (After 5:00 PM, Weekends, Holidays)	\$67.50/Hour
Percentage Discount on Metal Materials	0%

COMMITTEE RECOMMENDATION

None.

STAFF RECOMMENDATION

It is recommended that this contract be renewed.

	Fiscal Impact
Fiscal Year:	2024
Budgeted Y/N?:	Y
Source of Funds:	Solid Waste Fund
Account #:	
Change Order: Exceeds 25% Y/N:	
FINANCIAL IMPACT:	

The purpose of this contract is to establish prices for the commodities or services needed, should the City need to purchase these commodities or services. The City's obligation for performance of an annual supply contract beyond the current fiscal year is contingent upon the availability of appropriated funds from which payments for the contract purchases can be made. If no funds are appropriated and budgeted during the next fiscal year, this contract becomes null and void.

Funding is available in the Solid Waste Fund account numbers:
556-2550-533-2010 & 556-2560-533-2010.

Attachments

Renewal Letter

Vendor Bid Response
