

# CITY OF PALM DESERT STAFF REPORT

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MEETING DATE: December 14, 2023

PREPARED BY: Martin Alvarez, Director of Public Works

REQUEST: AWARD CONTRACT NO. C44200B TO AMERICAN LANDSCAPE, INC., OF CANOGA PARK, CALIFORNIA, FOR THE GREENS/TEE BOX RENOVATION AND TURF REDUCTION AT DESERT WILLOW GOLF RESORT IN THE AMOUNT OF \$4,083,396.75 (PROJECT NO. MLS00005)

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## **RECOMMENDATION:**

1. Award Contract No. C44200B to American Landscape, Inc., of Canoga Park, California, for the Firecliff Golf Course Greens/Tee Box Renovations and Turf Reduction at Desert Willow Golf Resort (DWGR) in the amount of \$4,083,396.75.
2. Authorize the Finance Department to set aside a contingency in the amount of \$400,000 for unforeseen circumstances.
3. Authorize the Finance Director to appropriate funds in the amount in the amount of \$4,473,396.75 from unobligated Desert Willow Capital Fund Balance to Account No. 4414195-4809200, DWGR Capital.
4. Authorize the City Attorney to make any necessary non-monetary changes to the agreement.
5. Authorize the City Manager to execute the agreement and any documents necessary to effectuate the actions taken herewith.
6. Authorize the City Manager to review and approve written contract change orders requests up to the contingency amount per Section 3.30.170 of the Palm Desert Municipal Code.

## **BACKGROUND/ANALYSIS:**

The City-owned Desert Willow Golf Resort consists of two 18-hole golf courses, the Firecliff and Mountain View courses, designed in 1996 and 1998, respectively. The golf resort was developed with a vision to provide amenities to both Palm Desert residents and visitors and as an economic development tool to attract new timeshare units, and hotel and retail development.

The design intent of the Firecliff Course was to provide a championship-style course that would challenge the highly skilled and potentially be used as part of a professional golf tournament. The design intent of the Mountain View Course was to provide a challenge to avid golfers while providing playability for the average player.

With the heavy golf utilization, the golf courses have experienced over the years, the City contracted with the course architect, Hurdzan Golf, in 2009 to evaluate the condition of both courses including their playability in relation to the original design intent. During their site visits and golf course evaluations, the architects determined that over the years, both golf course greens have become smaller in size; the aggressive growth of the Bermuda grass has encroached onto the greens, the tee boxes have endured significant wear and tear, and bunkers require work to bring playability back original design. Based on the architect's prioritization of work, the Mountain View Golf Course greens and bunkers were renovated in 2010. The

renovation of the Firecliff Course bunkers was completed in 2016, but the renovation to the Firecliff greens and tee boxes was placed on hold due to budget constraints.

To address all future long-term improvements necessary to renovate the Firecliff Course and the resort facilities to assist in maintaining the resort's quality of experience, the City entered into a professional services contract with Hurdzan Golf to develop a long-term capital improvement master plan. The contract award was pursuant to City Ordinance 1392, Section 3.30.080 Professional Services. This master plan serves as the basis for the renovations requested for the greens and tee boxes as part of this project. Based on the findings of the capital improvement master plan, a bunker renovation project was completed in September 2016, including bunker removal/consolidation, grading/drainage improvements, and new bunker sand installation. The bunker renovation project ultimately removed approximately two acres of bunkers to improve playability and pace of play. The bunker renovation project is the only major renovation completed at the Firecliff Golf Course since the course opened in 1997.

In addition to renovations necessary to improve the playability of the course, the City approved the DSRT SURF Specific Plan in 2019, located on Lot Pad B and adjacent to the golf courses. The Specific Plan includes a 6-acre surf lagoon, surf center, hotel rooms, villas, clubhouse, recreational facilities, and maintenance facilities. To reduce water demand associated with the Specific Plan, the developer is required to implement a Turf Reduction Program, which includes the removal of over one million square feet of turf (22+ acres) within the Desert Willow Golf Courses (Firecliff and Mountain View) and replacing it with drought-tolerant plant materials and low water usage irrigation systems. To minimize the closure time required to complete all required improvements, the City plans to overlap the golf course renovations and turf reduction to the extent feasible. The City will fund the design and construction of the improvements and recover costs associated with the design and construction of the turf reduction from the DSRT SURF developer.

#### **Firecliff Greens Turf Specification:**

Staff worked with the original golf course architect Dr. Michael Hurdzan, our local golf course designer Herman Design Group, and our golf course superintendent from Kemper Sports to provide a new turf specification for the replacement of the Firecliff greens. According to our experts, this new specification, including Mini-Verde should provide us with a more sustainable solution as it pertains to both our winter and summer conditions in our desert environment.

Mini Verde is an Ultradwarf Bermuda Grass. Ultra-dwarfs (Mini-Verde) which has been used by nearly every facility in the Coachella Valley that has done a greens renovation in the last 5 years. Mini-Verde has proven to be a superior all-season turf. Mini-Verde also gives us an opportunity to not overseed greens in the fall. In addition to water and seed savings, this will also mean no transition problems in the spring. Mini-Verde turf is currently being used on greens in the valley by The Madison Club, The Hideaway, Eldorado CC, Thunderbird CC, Ironwood CC, Andalusia CC, Morningside CC, MountainView CC, and Porcupine Creek to name a few. Most of these facilities have been renovated within the last 3 years. Our team has spoken to most of the golf course superintendents that have experience with recent greens renovations, and we have received favorable input with the use of mini-verge turf. In addition, our Kemper Sports team put

together a memorandum describing the benefits and cost savings that can realized with the use of Mini-Verde turf moving forward (see memo attached)

**Legal Review:**

This report has been reviewed by the City Attorney’s office.

**Strategic Plan:**

This project will advance the following goals of the Strategic Plan:

- Energy & Sustainability – Priority 1: Reduce per capita consumption of energy and water.
- Energy & Sustainability – Priority 4: Encourage owners of all existing properties to voluntarily retrofit them to obtain reductions in energy and water usage.
- Land Use, Housing & Open Space – Priority 1: Enhance Palm Desert as a first-class destination for premier shopping and national retail businesses.
- Parks & Recreation – Priority 3: Make recreational and exercise opportunities pervasive in all public spaces.

**Project Description:**

In the summer of 2022, staff conducted a competitive consultant selection process and the City Council awarded contracts to Hurdzan Golf, the original golf course architect and Hermann Design Group for golf course renovation design and construction support services. The construction plans were completed this summer. Given the complexity of the golf course renovation and the specialty type of work, staff initiated a contractor pre-qualification process in August of 2023. At the conclusion of the pre-qualification process, staff, our design consultants, and the construction management team reviewed and approved two contractors to bid the project:

- American Landscape – Canoga Park, CA
- Wadsworth Golf Construction – Plainfield, IL

On September 18, 2023, pursuant to City Ordinance 1392, a Notice Inviting Bids was issued to both pre-qualified contractors for a formal bidding procedure for the Firecliff Golf Course Project. On October 5, 2023, staff held a mandatory pre-bid meeting at Desert Willow Golf Resort. Only American Landscape attended the meeting. Staff contacted Wadsworth Golf Construction to inquire why they were not able to attend the mandatory pre-bid meeting. They indicated that due to their upcoming construction projects in 2024 they would not be able to bid on the City’s project.

On October 19, 2023, the bid due date, staff received a bid from American Landscape. The bid result is as follows:

<b>Base Bid</b>	<b>Firecliff Greens/Tee Box Renovation</b>	<b>\$3,378,754.65</b>
<b>Base Bid – update</b>	Change sprigs to Mini Verde	\$17,094.75
<b>Base Bid – update</b>	Removal and Replacement of 117 sprinklers	\$78,039.00
<b>Bid Alternate 1</b>	Turf Reduction 18-holes	\$319,121.50
<b>Bid Alternate 2</b>	Firecliff Hole No. 10 Tee Box Relocation	\$290,386.85
	<b>Total</b>	<b>\$4,083,396.75</b>

**Analysis:**

Having only received one bid, staff and our team of consultants took an in-depth review of the bid numbers. Our team consisting of Hurdzan Golf Course Architect, Hermann Design Group, landscape architect, and our golf course construction manager from HR Green evaluated the bid numbers. The team met with American Landscape to review all construction line items, the schedule of values to ensure the bid amounts are within current industry standards. Based on this in depth review, staff determined the bid was within industry standards and the project budget established by our team. Below is a summary and comparison of the City’s original project estimate and the American Landscape bid, which reflects a 10% variance in cost.

	<b>CITY BUDGET/ESTIMATE</b>	<b>AMERICAN LANDSCAPE BID</b>	<b>\$ VARIANCE</b>
<b>GREENS/TEE BOX RENOVATION</b>	\$2,677,721.00	\$3,473,888.40	\$796,167.40
<b>TURF REDUCTION</b>	\$805,744.00	\$319,121.50	\$(486,622.50)
<b>NO. 10 TEE BOX RELOCATION</b>	\$210,237.00	\$290,386.85	\$80,149.85
<b>TOTAL</b>	<b>\$3,693,738.00</b>	<b>\$4,083,396.75</b>	<b>\$389,694.75</b>

**FINANCIAL IMPACT:**

This project is included in the approved Capital Improvement Project (CIP) List for Fiscal Year 2023-24 under Account No. 4414196-4809200; however, funds in the amount of \$2,760,000 were allocated to Fiscal Year 2024-25 due to the anticipated timing of construction. The cost of construction including contingency totals \$4,483,396.75; therefore, staff request an appropriation for \$4,473,396.75, with the Year 2 amount to be removed from the CIP List. The cost for design and construction of turf reduction improvements will be reimbursed by the DSRT SURF developer to offset a portion of these costs, pursuant to their agreement.

The following table provides the current project budget and costs.

<i>Item</i>	<i>Authorized</i>	<i>Available Budget</i>	<i>Contract</i>	<i>Appropriation Request</i>
<i>Carryover Funds</i>	Awarded Contracts	\$404,790.00		
<i>Hurdzan Professional Consulting Services - A42830</i>	February 1, 2022		\$50,000.00	
<i>Design Services Herman Design Group - C44200</i>	September 29, 2022		\$305,100.00	
<i>Design Services Hermann Design Group Amend 1</i>	September 6, 2023	\$10,000.00	\$10,000.00	
<i>HR Green Construction Management – A44920</i>	March 9, 2023		\$49,690.00	
<b>*Award of C44200B Construction-American Landscape</b>	<b>December 14, 2023</b>	<b>\$10,000.00</b>	<b>\$4,083,396.75</b>	
<b>*Contingency C44200B</b>	<b>December 14, 2023</b>		<b>\$400,000.00</b>	
	<b>Total</b>	<b>\$424,790</b>	<b>\$4,898,186.75</b>	<b>\$4,473,396.75</b>
<i>DSRT SURF Developer Reimbursement</i>			<b>\$319,121.50</b>	
<i>Project Cost</i>			<b>\$4,579,065.25</b>	

\*Current request (Year 2 CIP Budget of \$2,670,000 will be reduced to 0)

**ATTACHMENTS:**

1. Agreement
2. Bonds
3. Contractor Proposal
4. Revised Bid Form
5. Kemper Sports Memorandum
6. Australian Turf Study