

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: June 26, 2025

PREPARED BY: Brad Chuck, Public Works Superintendent
Shawn Muir, Community Services Manager

SUBJECT: PURCHASE OF GRASS SEED FROM THE LOWEST RESPONSIBLE
BIDDER FOR FISCAL YEAR 2025/26 (PROJECT NO. MLS00021)

RECOMMENDATION:

1. Authorize the City Manager to approve the purchase of 174,500 pounds of grass seed from the lowest responsible bidder, in an amount not to exceed \$300,000 for Fiscal Year 2025/26.
2. Pursuant to PDMC Section 3.30.160(I), make a finding that such purchase is in the best interest of the City.
3. Authorize the City Attorney to make necessary non-monetary changes to the agreement.
4. Authorize the City Manager to execute the agreement and any other documents, changes, or amendments necessary to effectuate this action.

BACKGROUND/ANALYSIS:

Each year, the City of Palm Desert (City) and Desert Willow Golf Resort (DWGR) jointly purchase grass seed to overseed City parks, sports fields, greenbelts, and DWGR's Fire Cliff and Mountain View golf courses. By combining orders, the City and DWGR maximize cost savings and ensure consistent delivery. Although recent turf reduction projects have been implemented at DWGR, there will be no decrease in seed quantity. This is because the courses are overseeded earlier in the season, often resulting in poor germination rates due to persistent heat. However, this must be done so that the course may be operational at the start of the golf season, when the second course is closed for overseeding. DWGR staff must balance the weather conditions and golf needs to achieve the best result. By maintaining an adequate stock of seed on hand, Desert Willow staff can promptly reseed areas as needed to ensure course quality.

The fall golf season begins a high-demand period for DWGR, requiring well-established turf conditions to support course quality and visitor volume. To ensure seed is delivered in time for proper establishment, DWGR has identified September 8, 2025, as the delivery deadline. In coordination with this timeline, the City released a Request for Quotes (RFQ) ahead of the typical seed pricing period. The RFQ was advertised with a submission deadline of July 10, 2025. Given the City Council's summer recess and the time required to execute a purchase agreement, staff recommend authorizing the City Manager to approve the purchase directly, as doing so serves the best interests of the City. This approach enables the City to act quickly, secure pricing, and maintain the overseeding schedule.

Seed growers generally release pricing to suppliers in early July ahead of the overseeding season. According to suppliers, seed production is stabilizing, and prices are expected to remain competitive. However, rising fuel costs and inflation continue to influence final pricing. Staff

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anticipates that the seed supply will be sufficient, but higher transportation costs have been factored into the estimate to ensure timely delivery.

Based on current supplier forecasts, rye seed prices are expected to range between \$1.50 and \$1.75 per pound. However, prices can fluctuate by as much as \$0.30 per pound depending on market conditions at the time of procurement. The following table summarizes average per-pound seed costs over the past five years and estimates for Fiscal Year (FY) 2025/26:

Seed	Price Per Pound (Estimates)					
	2020	2021	2022	2023	2024	2025
Perennial Rye Grass seed (Blend)	\$1.04	\$1.75	\$2.20	\$1.50	\$1.50	\$1.50
Perennial Rye Grass Seed (Apron)	\$1.14	\$2.00	\$2.25	\$1.58	\$1.58	\$1.58
Poa Trivialis Grass Seed	\$3.20	\$4.00	\$5.25	\$4.99	\$4.99	\$5.20

The table below shows the historical cost breakdown between DWGR and the City:

Cost Breakdown			
Year	DWGR Cost	City Cost	Total
2020	\$149,177.40	\$35,859.20	\$189,039.60
2021	\$230,500.00	\$59,500.00	\$290,000.00
2022	\$312,044.00	\$80,597.00	\$392,641.00
2023	\$207,807.00	\$64,553.00	\$272,360.00
2024	\$164,335.00	\$59,974.00	\$224,309.00
2025**	\$191,619.10	\$81,336.25	\$272,955.35

***Estimate includes an additional 5,500 lbs of seed plus 15% markup for seed cost variation.*

Previously, the overall purchase of seed was 169,000 pounds; however, this year staff estimates purchasing an additional 5,500 pounds for a total of 174,500 pounds of seed to accommodate the extended overseeding time frame for Desert Willow. The total purchase is not expected to exceed \$300,000. If actual costs exceed this amount, staff will return to City Council for ratification on August 28, 2025. Authorizing the City Manager in advance allows the City to respond efficiently to market conditions and secure the seed quantities required for a successful overseeding season.

Legal Review:

This report has been reviewed by the City Attorney's Office.

FINANCIAL IMPACT:

The Public Works Department plans to purchase approximately 41,000 pounds of Standard Perennial Rye Grass Seed for an estimated cost of \$85,000. Desert Willow Golf Resort will use the remaining 133,500 pounds of seed with an estimate cost of \$195,000. The proposed budgets for Public Works and Desert Willow Golf Resort total \$300,000 allocated across various accounts to support the annual seed purchase. Therefore, no further financial impact beyond what has been included as part of the FY 2025/26 proposed Annual Budget is anticipated.

While staff expect seed prices to remain consistent with FY 2023/24, an increase in the total

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quantity of seed used by Public Works and higher fuel and shipping charges are anticipated. To ensure sufficient funding, the estimated total cost includes a 15% markup over last year's seed cost.

<i>FY 2025/26</i>	<i>Account Number</i>	<i>Available Budget*</i>
<i>Civic Center Park</i>	1104610-4332001	\$30,000
<i>Tri-Cities Sports Facilities</i>	1104610-4337100	\$15,000
<i>Parks</i>	1104611-4332001	\$40,000
<i>El Paseo Medians</i>	1104614-4337001	\$10,000
<i>Haystack Greenbelt</i>	2764374-4332100	\$5,000
<i>Public Works Department's Budget</i>		<i>\$100,000</i>
<i>Desert Willow Golf Resort</i>	4414159-4809200	\$200,000
<i>Total Budget</i>		<i>\$300,000</i>

*Although the amounts listed are intended to cover the purchases, actual distribution of costs will vary based on actual use.