

Construction • Residential • Commercial P.O. Box 878 Thousand Palms, CA 92276-0878 Tel (760) 343-3003 Fax (760) 343-1125 Cell (760) 250-4053 or (858) 382-0992

March 21, 2025

Re: Citywide Street Sweeping Services Price Increase

Dear David Reyes:

M&M Sweeping is requesting an increase in the contract C45130, with the City of Palm Desert by 4.5%, total annual amount will be \$252,000.00 starting July 1st 2025. This increase is due to a continued rise in costs with additional inflationary cost increases for parts, labor, Insurance. Tariffs are affecting part and supply costs. Commercial Insurance policies for Automobile, Liability are seeing significant increases. Quality labor is causing challenges in finding reliable workers. Parts and repairs for equipment have seen large increases for both parts and labor.

M&M sweeping has been working on maintaining the level of service we want to provide to the city. This approval will help us continue to do that. Meanwhile, we are focusing on continuous improvement initiatives related to our controllable costs to soften the financial impact. With regards to the excessive amount of sand, we appreciate the help from the City of Palm Desert Public Works Department.

As always, if you have any specific questions or concerns about this change, please contact us.

We sincerely appreciate your business and look forward to continuing to serve your future needs in sweeping and drain cleaning services.

Sincerely,

Richard Juge, President