

PALM DESERT HOUSING AUTHORITY STAFF REPORT

MEETING DATE: July 10, 2025

PREPARED BY: Celina Cabrera, Senior Management Analyst

SUBJECT: AUTHORIZATION TO INCREASE FY 2024/25 POOL AND SPA
ADDITIONAL SERVICES WITH SERVICE FIRST, LLC

RECOMMENDATION:

Authorize an increase of \$6,581.00 to the not-to-exceed amount for additional services for pool and spa repairs with Service First, LLC, for fiscal year 2024/25.

BACKGROUND/ANALYSIS:

On December 30, 2024, Service First completed a five-year contract to provide pool and spa maintenance and repair services for Palm Desert Housing Authority (Housing Authority) properties. The contract authorized an annual maintenance amount of \$138,573.11 and included an allowance of up to \$50,000 per year for additional services, which covered non-routine repairs, parts, and emergency responses beyond standard maintenance.

The Service First contract operated on a calendar year basis, beginning January 1st, which does not align with the Housing Authority's fiscal year. During a recent internal review, it was identified that in Fiscal Year 2024/25, expenditures for additional services exceeded the authorized amount by \$6,581.00. However, in Fiscal Year 2023/24, nearly \$9,896.00 in the additional services budget remained unspent.

This discrepancy is due to several invoices related to additional services performed near the end of Fiscal Year 2023/24 being incorrectly posted to Fiscal Year 2024/25 rather than FY 2023/24. As a result, the current fiscal year reflects an overage that would not have occurred had the invoices been posted in the correct fiscal year.

To resolve this issue and ensure all valid expenses are covered, staff is requesting authorization to increase the FY 2024/25 allowance for additional services by \$6,581.00 for an aggregate amount of \$56,581.00.

Legal Review:

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

Appointed Body Recommendation:

The Housing Commission has reviewed this recommendation at its regular meeting on July 9, 2025. Upon request, a verbal report will be provided.

FINANCIAL IMPACT:

The financial impact is to increase the additional services amount by \$6,581.00 for the current fiscal year. Authorization does not require appropriation and there is no financial impact on the City's General Fund.