

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: September 25, 2025

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

SUBJECT: APPROVE AMENDMENTS FOR LANDSCAPE MAINTENANCE SERVICES AGREEMENTS ON LMA 6, 9, AND 17 (PROJECTS NO. MLS00012, MLS00015, AND MLS00017)

RECOMMENDATION:

1. Approve Amendment No. 1 to Contract No. C45050 with Horizon Professional Landscape, Inc., of Coachella, CA, in the amount of \$4,704, increasing the annual contract amount to \$168,000.
2. Approve Amendment No. 1 to Contract No. C45060 with Mariposa Landscapes, Inc., of Irwindale, CA, in the amount of \$8,935.92, increasing the annual contract amount to \$366,370.32.
3. Approve Amendment No. 1 to Contract No. C43140 with Vintage Associates, Inc., of Bermuda Dunes, CA, in the amount of \$10,200, increasing the annual contract amount to \$351,000.
4. Authorize the City Attorney to make necessary non-monetary changes to the amendments.
5. Authorize the City Manager to execute amendments, change orders, and execute any other documents necessary to effectuate the actions taken herewith.

BACKGROUND/ANALYSIS:

The City of Palm Desert (City) contracts with contractors to provide landscape maintenance services for its Landscape Maintenance Areas (LMA's). LMA's are designated landscape zones requiring regular maintenance throughout the community. Each year, staff receives requests for Consumer Price Index (CPI) adjustments. The three agreements being presented for amendments were approved by Council at varying times. While some agreements delegate authority to the City Manager to administratively approve CPI adjustments, the original staff reports for these three agreements did not include that provision; therefore, City Council approval is required for the current request for cost "CPI" adjustment.

This year, vendors submitted cost "CPI" adjustment requests at varying times, each based on the data available at the time. The agreements do not all designate a deadline for cost adjustment requests. This is why the percentages requested differ by contractors. Staff recommend approving the requested adjustments, with an effective date of September 1, 2025. Future requests will need to be submitted in April, using the March CPI published by the Bureau of Labor Statistics for Riverside County All-Items.

Contract No. C45050 – Horizon Professional Landscape (LMA 6):

On April 13, 2023, the City Council approved a three-year Maintenance Services Agreement with Horizon Professional Landscape, Inc., (Horizon) for Landscape Maintenance Area 6 (LMA 6). The contract was approved for \$127,776. annually, and an option for two additional one-year extensions.

LMA 6 encompasses several landscaped areas throughout and surrounding the Desert Willow Golf Resort. This includes the roundabout planters and medians located along Desert Willow Golf Resort, as well as the landscaped overflow parking lot near the intersection of Country Club Drive and Desert Willow Drive. It also includes native plantings along internal parkways and roadways, as well as landscaped perimeter areas.

In Fiscal Year (FY) 2024-25, a new landscaped parking lot was added to the service area via change order to increase the contract by \$31,680. annually. A 3% cost adjustment was also included in the Change Order for an additional \$320 per month (\$3,840 annually). These changes brought the total annual contract amount to \$163,296.

Horizon has submitted a request for a 2.9% contract adjustment, citing increased operating costs related to fuel and labor. While historically such increases have used “CPI adjustments,” this request is based on actual cost impacts rather than a specific Bureau of Labor Statistics index. The proposed adjustment would add \$4,704 annually, bringing the new annual amount to \$168,000. The CPI for All Items in Riverside County in March 2025 was 3.1%, therefore making this request within the normal adjustment rate. A summary of these adjustments is provided in the table below:

Item	Monthly Cost	Annual Cost
Yr 1 - Original Contract	\$10,648	\$127,776
Change Order No. 1 (New Area)	\$2,640	\$31,680
Change Order No. 1 (CPI Adjustment)	\$320	\$3,840
Yr 2 - Revised Contract	\$13,608	\$163,296
Proposed Amendment No. 1 (CPI 2.9%)	\$392	\$4,704
Proposed Yr 3 Revised Contract Amount	\$14,000	\$168,000

Contract No. C45060 – Mariposa Landscapes, Inc. (LMA 9):

A three-year Maintenance Services Agreement with Mariposa Landscapes, Inc., (Mariposa) was approved on April 13, 2023, for Landscape Maintenance Area 9 (LMA 9). The contract was approved for \$357,434.40 annually, and an option for two additional one-year extensions.

LMA 9 includes several landscaped areas: the medians along El Paseo, Baja Park and Entrada del Paseo, the streetscape improvements along San Pablo Avenue (Phases 1 and 2), Alessandro Alley, and the grounds of the Portola Community Center and the Palm Desert Historical Society.

Mariposa has submitted a request for a 2.5% contract adjustment, citing increased operating costs related to fuel, materials, and labor. While historically these requests have used “CPI adjustments,” this request is based on actual cost impacts rather than a specific Bureau of Labor Statistics index. The proposed adjustment totals \$8,935.92 annually, bringing the new annual

contract amount to \$366,370.32. The CPI for All Items in Riverside County in March 2025 was 3.1%, therefore making this request within the normal adjustment rate. A breakdown of the adjustment is provided in the table below:

Item	Monthly Cost	Annual Cost
Yr 1 & 2 - Original Contract	\$29,786.20	\$357,434.40
Proposed Amendment No. 1 – CPI (2.5%)	\$744.66	\$8,935.92
Proposed Yr 3 Revised Contract Amount	\$30,530.86	\$366,370.32

Contract No. C43140 – Vintage Associates, Inc. (LMA 17):

On May 26, 2022, the City Council approved a five-year Maintenance Services Agreement with Vintage Associates, Inc. (Vintage) for Landscape Maintenance Area 17 (LMA 17), with an annual contract amount of \$340,800., including an option for three additional one-year extensions with an annual CPI adjustment upon request. However, City Manager authorization to approve future CPI adjustments was not included in the original staff report. For this reason, staff is bringing the item back to City Council to request authorization to streamline extension approvals.

LMA 17 includes a variety of public facilities and landscaped areas, such as Civic Center Park, the Tri-Cities Sports Fields, Magnesia Falls City and Shared Park, the perimeter landscaping around City Hall, the Park View Office Complex, as well as the state building grounds and the San Pascual Channel.

Vintage has submitted a request for a 3% contract adjustment to reflect increased operating costs. While historically these requests have used “CPI adjustments,” this request is based on actual cost impacts rather than a specific Bureau of Labor Statistics index. The proposed adjustment would add \$10,200 annually, bringing the new annual contract amount to \$351,000. The CPI for All Items in Riverside County in March 2025 was 3.1%, therefore making this request within the normal adjustment rate. The breakdown is shown in the table below:

Item	Monthly Cost	Annual Cost
Yr 1-3 - Original Contract	\$28,400	\$340,800
Proposed Amendment No. 1 – CPI (3%)	\$850	\$10,200
Proposed Yr 4 Revised Contract Amount	\$29,250	\$351,000

The cost adjustment requests included in this report are being presented later than anticipated requests were submitted at varying times for the FY 2025-26 service period. To improve consistency and transparency, staff recommends amending each agreement to include and standardize an April 1 deadline to submit requests, using the March CPI posted by BLS for Riverside County All-Items, to ensure all CPI adjustments can be reviewed and considered prior to the start of the new fiscal year.

Legal Review:

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

FINANCIAL IMPACT:

City of Palm Desert
 Approve Amendments for LMA 6, 9, and 17

Sufficient budget has been included in the approved FY 2025-26 Financial Plan in the various Public Works Department operations budgets to cover these requests; therefore, there is no additional financial impact to the General Fund with this action.

The table below outlines the budgets and adjusted contract amount for each area:

Accounts / Description	FY 2025/26 Budget	Adjusted Contract Amount	Balance Available
1104610-4332001	\$285,000		
1104610-4337100	\$100,000		
1104614-4337001	\$320,000		
1104614-4392101	\$90,000		
4414195-4332000	\$150,000		
C45050 LMA 6 – Horizon		\$168,000.00	
C45060 LMA 9 – Mariposa		\$366,370.32	
C43140 LMA 17 - Vintage		\$351,000.00	
Total	\$945,000	\$885,370.32	\$59,629.68

Future year extensions and CPI requests will be contingent upon approval of the associated Annual Budget.

ATTACHMENTS:

1. LMA 6 Horizon Professional Landscape Request
2. LMA 9 Mariposa Landscapes, Inc. Request
3. LMA 17 Vintage Associates, Inc. Request
4. Amendment No. 1 Horizon Professional Landscape, Inc.
5. Amendment No. 1 Mariposa Landscapes, Inc.
6. Amendment No. 1 Vintage Associates, Inc.