



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: NOVEMBER 14, 2023

FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT WARD: 1

SUBJECT: INCREASE CHANGE ORDER AUTHORITY FROM 10% TO 15% FOR THE AGREEMENT WITH BRIGHTVIEW GOLF MAINTENANCE, INC., FOR FAIRMOUNT GOLF COURSE LANDSCAPE MAINTENANCE SERVICES FOR A TOTAL INCREASE OF \$82,000 FOR THE TERM OF JANUARY 1, 2019, TO DECEMBER 31, 2023

ISSUE:

Approve increase in change order authority from 10% to 15% in the amount of \$82,000 for the agreement with BrightView Golf Maintenance, Inc. for Annual Landscape Maintenance Services for the term of January 1, 2019, to December 31, 2023.

RECOMMENDATION:

That the City Council authorize an increase in change order authority from 10% to 15% in the amount of \$82,000 for the agreement with BrightView Golf Maintenance, Inc. for Annual Landscape Maintenance Services for the term of January 1, 2019, to December 31, 2023.

BACKGROUND:

On November 27, 2018, City Council approved an agreement with BrightView Golf, Inc. for the term of January 1, 2019, through December 31, 2023, in the amount of \$1,640,000 with 10% change order authority for future increases to the agreement and additional costs for irrigation repair and replacement. The total amount of the agreement with the change order authority was not to exceed \$1,804,000.

On July 10, 2018, the project received 2 proposals, both deemed responsive. An evaluation team of four City employees reviewed the submissions and determined BrightView Golf Maintenance was the highest rated responsive proposer and was awarded a services agreement which was executed on November 30, 2018.

On June 6, 2018, the City of Riverside released RFP 1818 for the Annual Landscape Maintenance at Fairmount Golf Course. The project had 14 Prospective Bidders, 3 of which attended the Non-Mandatory Pre-Bid meeting.

DISCUSSION:

BrightView Golf Maintenance, Inc., has a proven record of success at Fairmount Golf Course and has been instrumental in improving the condition of the course since 2014. When staff negotiated the five-year contract, in 2019, it did not anticipate a dramatic increase in CPI and estimated a 10% change order authority would be sufficient. The 10% change order authority was to compensate for rising labor and material costs and any additional repairs in equipment and irrigation over the course of the five-year agreement through 2023. The PRCSD and BrightView Golf Maintenance, Inc., agreed to an increase in years 2 through 5 that equates to 25% Consumer Price Index (CPI) plus 75% Employment Cost Index (ECI), from August to August of the previous year.

In Fiscal Years 2022 and 2023, CPI and ECI increased greatly compared to when the agreement was initially agreed upon. The additional costs for repair to equipment, irrigation, and the large increases due to CPI and ECI caused the overall agreement to exceed change order authority. The PRCSD is requesting an increase from 10% to 15% to cover the remaining term of the agreement which amounts to 3 months. The chart below details what was originally approved per year and what has been expended to date.

	Year 1 2019	Year 2 2020	Year 3 2021	Year 4 2022	Year 5 2023	Amount
Base Contract Approved	328,000.00	328,000.00	328,000.00	328,000.00	328,000.00	1,640,000.00
Change Order Authority Approved	32,800.00	32,800.00	32,800.00	32,800.00	32,800.00	164,000.00
Total Approved	360,800.00	360,800.00	360,800.00	360,800.00	360,800.00	1,804,000.00
Actual Contract Amount Expended	328,000.00	333,645.00	339,070.00	369,697.00	397,979.00	1,768,391.00
Additional Work for Equipment and Irrigation Repair	8,427.00	627.00	8,040.89	48,543.45	18,196.79	83,835.13
Total Actual	336,427.00	334,272.00	347,110.89	418,240.45	416,175.79	1,852,226.13
Variance	24,373.00	26,528.00	13,689.11	-57,440.45	-55,375.79	

Purchasing Resolution, No. 23814 section 1104 (c) states that “unless otherwise specifically authorized by the Awarding Entity, Change Orders which cumulatively exceed the following will require Awarding Entity approval: (c) 10% of the original contract price for Contracts and/or Purchase Orders previously approved by the Awarding Entity and the total Change Order amount will not exceed \$150,000.” As the increase of the Change Order authority is exceeding 10% of the original contract price, Awarding Entity approval is required.

The Purchasing Manager concurs that the recommended action to award complies with the City’s current Purchasing Resolution No. 23914 Section 1104 (c).

STRATEGIC PLAN ALIGNMENT:

The work contributes to **Strategic Priority 1 – Arts, Culture and Recreation**, which aims to provide diverse community experiences and personal enrichment opportunities for people of all ages.

The agreement with Brightview Landscape Services, Inc. aligns with the Arts, Culture and Recreation Strategic Priority, and contributes to **Strategic Goal 1.3** in addressing parks and open space maintenance needs.

This action aligns with each of the Cross-Cutting Threads as follows:

1. **Community Trust** – Well maintained city facilities serve the public interest, benefit the City’s diverse populations, and result in greater public good.
2. **Equity** – The Golf Course is utilized by all ages and offers discounted Senior and Junior rates. Compared to surrounding golf courses the Fairmount Golf Course rates continue to be affordable.
3. **Fiscal Responsibility** – The golf course generates revenue and assists in offsetting the costs of operations.
4. **Innovation** – The Agreement ensures that the Fairmount Golf Course is maintained and continues to be utilized for various community needs.
5. **Sustainability & Resiliency** – Landscape maintenance preserves the beautification and maintenance of the Fairmount Golf Course for future use.

FISCAL IMPACT:

The total fiscal impact of the increase in change order authority from 10% to 15% amounts to \$82,000, for the period of January 1, 2019, to December 31, 2023. Funds are budgeted and available in the General Fund, Parks & Recreation-Parks, Professional Services account 5215000-421000.

Prepared by: Pamela Galera, Parks, Recreation and Community Services Director
Certified as to availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by: Kris Martinez, Assistant City Manager
Approved as to form: Phaedra Norton, City Attorney

Attachment: Agreement with BrightView Golf Maintenance, Inc.