



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Arturo Vela, Interim City Manager

**PREPARED BY:** Nate Smith, Deputy Director of Public Works/City Engineer

**MEETING DATE:** October 28, 2025

**SUBJECT:** Discussion of Options and Obtain Direction regarding Citywide Landscape Maintenance Contracts

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### **RECOMMENDATION:**

As requested by the City Council, discuss the three (3) different landscape maintenance contracts within the City with City Council and obtain direction on several options

### **BACKGROUND:**

There are currently three (3) landscape maintenance contracts within the City and all three (3) have been awarded to Mariposa Landscape, Inc. ("Mariposa"). Each contract has its own Scope of Work and end date.

#### LMD No. 1

LMD No. 1 in the City of Banning was established through the adoption of Resolution 1990-59 on August 14, 1990 (9 tracts), with another development, Tract No. 22913, being annexed into the District in 1992. An additional five tracts and three tentative tracts were annexed into LMD No. 1 (Annexation No. 1) when the City Council approved Resolution 2005-36 on May 10, 2005. Annexation No. 2, adding Tract No. 32370, occurred on November 14, 2023 when the City Council approved Resolution No. 2023-177.

There are currently eleven (11) Zones and 1,034 assessment units (i.e. properties) in LMD No. 1. A map displaying the District and its' Zones is shown as Attachment 1.

LMD No. 1 provides a mechanism for the operation and maintenance of landscape medians and parkways, perimeter strips, landscaped hillsides with high visibility, side slopes adjacent to sidewalks and retention basins annexed into it. LMD No. 1 funds expenses (e.g. utility costs, landscape maintenance contractor, etc.) by revenues collected from the special benefit assessments paid for by each property owner within LMD No. 1. The District, by these special benefit assessments, provides funding for the operation and maintenance of certain landscape areas within the City of Banning, all of which were constructed as part of private development projects and many of which are located in the public right-of-way. The 1972 Act requires that assessments are to be levied according to benefit rather than according to assessed value.

Zones 1-5 of LMD No. 1 did not include a Consumer Price Index (CPI) increase or escalator to the yearly amounts paid by each homeowner. A maximum 5% CPI escalator was introduced for Zones 6-11. This has left most of those tracts operating in a deficit each year as revenues do not pay for rising costs in utilities and the landscape contractor services. Consequently, most of the landscaping is minimal in the Zones with deficits. Currently, the aesthetics of the District do not meet the community's expectations.

The Scope of Work includes landscape maintenance of LMD No. 1 which is comprised of eleven (11) Zones and includes turf management; plant and shrub maintenance; tree care and pruning; fertilization; an environmental weed and pest control program; and irrigation testing and adjustments. Zones that operate at a deficit receive maintenance in less frequent intervals than Zones that have adequate funds. Plant replacement and irrigation repairs are an extra cost for all three (3) Citywide landscape maintenance contracts.

The current contractor used for performing landscape maintenance services for LMD No. 1 is Mariposa Landscaping Inc. with an annual contract amount of \$5,416.84/month (\$65,002.08/year). Additional "as needed" work is comprised of plants, shrubs, flowers, irrigation materials and installation equaling a "not to exceed" amount of \$25,000, bringing the total contract amount to \$90,002.80. The maximum five (5) single year contract term end date is June 30, 2029.

### City Properties

There is a City Properties landscape maintenance contract for landscaped areas within City owned properties and within some areas of public right of way. The scope of work for landscape maintenance services in this contract includes turf management; shrub bed maintenance; tree care and pruning; fertilization; an environmental weed and pest control program; and irrigation testing and adjustments for the City properties listed below:

- Banning City Hall (99 East Ramsey Street) landscaping around building and parking lot
- Banning Police Station (125 East Ramsey Street)
- Banning Police Station Northeast Parking Lot (125 E. Ramsey Street)
- Fire Station Building (5261 W. Wilson Street)
- Former Armory National Guard Property (2041 W. Nicolet Street)
- Brinton Reservoir (1700 N. Mountain Avenue)
- Sunset Reservoir (1202 N. Sunset Avenue)
- San Gorgonio Parking Lot
- Fire Station 89 (172 N. Murray Street)
- Fire Administration Building (3900 W. Wilson Street)
- East Ramsey Street Medians (West and East of N. Hathaway Street)
- Highland Spring Avenue Underpass
- Ramsey Street Medians from Highland Springs Avenue to Highland Home Road
- Ramsey Street Medians from Highland Home Road to Sunset Avenue

The current landscape contractor used for performing landscape maintenance services for City properties is also Mariposa, with an annual contract amount of \$13,651.67/month (\$163,820/year). Additional "as needed" work is comprised of plant materials, irrigation materials and installation equaling a "not to exceed" amount of \$7,500 bringing the total contract amount to \$171,320. The maximum five (5) single year contract term end date is June 30, 2027.

### City Parks and Recreational Properties

There is a City parks and recreational facilities landscape maintenance contract for landscaped areas within City owned properties. The scope of work for landscape maintenance services in this contract includes turf management; shrub bed maintenance; tree care and pruning; fertilization; an environmental weed and pest control program; and irrigation testing and adjustments to ensure the irrigation is working properly for the following properties:

- Dysart Equestrian Park (2102 Victory Ave.)
- Lion's Park (855 South Hargrave St.)
- Repplier Park (201 West George St.)
- Roosevelt Williams Park (1101 East George St.)

- Sylvan Park (2798 West George St.)
- Community Center and Senior Center (769 and 789 San Gorgonio Ave.)
- Aquatic Center (749 San Gorgonio Ave.)
- Repplier Park and the Community Center parkway (749, 769 and 789 San Gorgonio Ave.)
- Richard Sanchez Park and Trail (3758 Cypress Ave.)

The current landscape contractor used for performing landscape maintenance services for City parks and recreational properties is also Mariposa, with an annual contract amount of \$12,674.08/month (\$152,088.06/year). Additional “as needed” work is comprised of plants, shrubs, flowers, irrigation materials and installation equaling a “not to exceed” amount of \$15,208, bringing the total contract amount to \$167,296.96. The maximum five (5) single year contract term end date is June 30, 2026. Therefore, a Request for Proposal (RFP) for this Parks and Recreation facilities landscape maintenance contract will have to be prepared by the end of 2025.

**JUSTIFICATION:**

The City Council requested that staff research the costs of the three (3) existing landscape maintenance contracts currently performed by Mariposa and provide several options to consider cost saving measures.

Therefore, staff is seeking direction from the City Council on how to proceed.

**FISCAL IMPACT:**

The cost of all three landscape contracts, in which Mariposa is providing services, without extra “as needed” services combined is \$31,742.59/month (\$380,911.04/year). Mariposa stated that this translates to a total 8,401 labor hours. They use a two-man crew for the LMD (one foreman and one laborer) and a three-man crew (one foreman and two laborers) for the other two contracts. It is important to note that Mariposa provides an all-inclusive price; equipment (including maintenance and repairs) and materials are included in their contract prices, as is a skilled bench of workers. The purchase and installation of plants, shrubs, ground cover, and irrigation parts are an extra cost.

Below is a summary of Mariposa costs per City contract, without the “as needed” additional work:

Avg. Hourly Rate	LMD No. 1	Parks and Rec	City Facilities
	\$30.62	\$48.45	\$52.19

**NOTE: MARIPOSA COSTS INCLUDES EQUIPMENT AND MATERIALS**

Using City Public Works Department staff the current total annual cost for four (4) Landscape Maintenance workers and one Supervisor at 33% of his time, is \$520,735 for a year (fully burdened) which is above the \$380,911/year that Mariposa spends on the three (3) landscape contracts, without the “as needed” extra costs; \$428,619 with the “as needed” costs. City fringe benefits are comprised of: PERS retirement, cafeteria plan allowances, FICA and Medicare taxes, Workmans Compensation insurance, annual, holiday and sick leave time, and boot allowances. About 55% of the hourly costs with benefits are solely for the salary, the remaining 45% are the costs of fringe benefits.

**CITY STAFF COSTS (to equal landscape vendor annual hours)**

POSITION	HOURLY COST (FULLY BURDONED)	ANNUAL COST
Landscape Maintenance Worker II (avg. for I/II/III ladderred positions)	\$55.41	\$115,252,80
Supervisor	\$86.14	\$59,723.73

If the average hourly cost of a City Street Maintenance Worker II (which is similar to Landscape

Maintenance Worker II) was used, with 1/3 time for a supervisor, for the 8,401 labor hours Mariposa spends on the three (3) landscape contracts, the cost to the City would be \$520,735.

Combining the existing three (3) landscape maintenance contracts into one Citywide contract may save funds due to the economies of scale. Additionally, having one large contract may increase competition from more landscape maintenance firms. However, it may increase the LMD No. 1 contract or reduce its level of service even more, since its' average hourly rate is far below the other two contracts. Bringing the landscape maintenance contract work to City staff in house would be costly, estimated to cost the City \$520,735 in labor costs and \$50,000 to \$100,000 for initial capital costs to purchase equipment.

Additionally, there are some costs, such as Human Resources, that will increase with several additional employees through the City's cost allocation plan.

**ALTERNATIVES:**

The City Council requested that Engineering Division staff analyze the possibility of combining all three (3) Citywide landscape maintenance contracts into one contract to determine if economies of scale would yield cost savings. Additionally, the possibility of utilizing Landscape Maintenance staff members was also analyzed.

The City Council can consider several options and then provide direction(s) to City staff as listed below.

Option 1

Combine all three (3) landscape maintenance contracts into one Citywide landscape maintenance contract and prepare a RFP. Analyze the Bid Schedule results for each contract to determine if there are cost savings. Based on current service levels, the City would receive the equivalent of 4 FTE's for labor in landscape maintenance. This presents opportunities to include economies of scale but may reduce service in the LMD given the significantly lower hourly rate associated with that contract.

Option 2

Combine the two (2) City properties and facilities landscape maintenance contracts and leave the LMD No. 1 contract separate. This action would introduce economies of scale on the Parks and City Facilities contracts. The LMD would continue in its current declining state over time to have services reflect income.

Option 3

Maintain status quo. Keep the three (3) landscape maintenance contracts separate.

Option 4

Revisit previous LMD recommendations to move certain improvements from the LMD to City Facilities. This could include areas where council determines there is significant public benefit, such as parkways and medians on major roadways (Wilson, Hathaway, Highland Home). These facilities would become an additional general fund expense on the City Facilities contract, but bring areas up to a level of service that meets the community expectations. This was previously discussed with City Council on February 11, 2025 and the staff report is shown as Attachment No. 2. In concert with this action, Options 1, 2, and 3 can still be considered for potential savings with economies of scale.

Option 5

Bring the work in house and have the Parks/Public Works Departments staff perform the landscape work on one, two or three of the landscape maintenance contracts. This action would require the hiring of

additional City staff, likely a minimum of 4 new FTE's to provide an equal amount of time as the contractor provides. Challenges here include temporary staffing challenges and reduction in level of services when there are vacancies, scheduled time off, or unplanned leaves where staff cannot be quickly replaced. Under a contract scenario, the vendor is expected to provide employees throughout those times.

**BUDGETED?:**

No

**CONTRACT/AGREEMENT:**

No

**ATTACHMENTS:**

1. [LMD No. 1 Map of Zones 1 thru 11 Combined.pdf](#)
2. [SR - LMD Discuss Options, 2.11.2025.pdf](#)
3. [Amend No.1 to LMD No.1 Contract with SOW.pdf](#)
4. [Amendment No.6 to City Properties.pdf](#)
5. [City Parks and Facilities original Scope of Work from 2021 RFP.pdf](#)
6. [Amend No. 4 to City Parks and Facilities Contract with SOW.pdf](#)