



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Elizabeth Gibbs, City Manager

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

MEETING DATE: June 23, 2026

SUBJECT: Consideration of Resolution 2026-71, Approving Amendment No. 2 to the Landscape Operation and Maintenance Contract for Landscape Maintenance District No. 1 with Mariposa Landscapes, Inc. of Irwindale, California for Fiscal Year 2026/2027 in the Amount of \$92,114.65

STAFF RECOMMENDATION:

Adopt Resolution 2026-71

BACKGROUND:

Landscape Maintenance District (LMD) No. 1 in the City of Banning was established through the adoption of Resolution No. 1990-59 on August 14, 1990 (9 tracts), with another, Tract No. 22913 being annexed into LMD No. 1 in 1992. An additional five tracts and three tentative tracts were annexed (Annexation No. 1) into LMD No. 1 when the City Council approved Resolution 2005-36 on May 10, 2005. Tract No. 32370 was annexed into the LMD on November 14, 2023 when the City Council approved Annexation No. 2. A map displaying the District and its' Zones is shown as Attachment 2. There are currently eleven (11) Zones and 1,034 assessment units.

LMD No. 1 currently consists of seventeen (17) accepted tracts in eleven (11) Zones: Tract Nos. 21882, 22810, 22811, 22913, 23446 (including the median on Highland Home Road), 23598, 28252, 29721, 30186, 30222, 30793, 31833, 31834, 31835, 32109, 30906 and 32370.

The purpose of LMD No. 1 is for the maintenance and servicing of landscape medians and parkways, perimeter strips and backup walls, landscaped hillsides with high visibility, side slopes adjacent to sidewalks, retention basins, and the irrigation of the above facilities all of which are part of residential development projects. LMD No. 1, by special benefit assessments, provides funding for the servicing and maintenance of designated landscape areas within the City of Banning.

A Request for Proposals (RFP) No. 24-061 for the Operation and Maintenance of LMD No. 1 was prepared and released through the OpenGov program on April 5, 2024. On June 25, 2024, the City Council approved Resolution No. 2024-108, awarding the contract for the Operation and Maintenance of LMD No. 1 to Mariposa Landscapes, Inc, shown as Attachment 3. As originally approved, the Contract Agreement was for a term of twelve (12) months (\$6,517.61/month; \$93,211.26/year including the \$15,000 for additional repairs) with the possibility of an option to renew for up to four (4) single additional years (for a total of five (5) single years) upon a satisfactory yearly review of the previously provided services. The total "not to exceed" amount for the Contract was \$93,211.26, which included \$15,000 for miscellaneous expenses.

An annual cost increase equal to the increase in the Consumer Price Index (CPI) percentage for all Urban Consumers in the Riverside-San Bernardino-Ontario, CA area, published by the United States Department of Labor, Bureau of Labor Statistics during the preceding calendar year is applied each year. Therefore, for this FY 2026/2027 Cost Proposal, a 3.25% CPI increase over last year's costs was incorporated and is attached.

The Scope of Work includes providing all the labor, tools, materials, and equipment necessary to provide landscape maintenance services of LMD No.1. This includes performing seasonal maintenance and inspection, checking the operation of all irrigation systems, and identifying required repairs and, if necessary, the labor for replacing trees, flowers or shrubs within landscaped areas that are maintained under the contract.

For Fiscal Year 25/26, Richard Sanchez Park was removed from the Scope of Work in Zone 1 and is now maintained by the Parks Department, reducing the contract costs, and annual tree trimming within the retention basin in Zones 10/11 was added. On May 27, 2025, City Council approved Resolution 2025-67, Amendment No. 1, which was for a term of twelve (12) months, (\$5,416.84/month; \$90,002.08/year including the \$25,000 miscellaneous repair costs, with the possibility of an option to renew for up to three (3) more single additional years (for a total of five (5) single years) upon a satisfactory yearly review of the previously provided services.

Amendment No. 2, shown as Attachment 5, will extend the current Contract through June 30, 2027. The cost proposal for FY 2026/2027, included as Attachment 6, is for \$5,592.89/month (\$67,114.68/year) with the addition of \$25,000 for miscellaneous repairs and new plants, the total "not to exceed" amount is \$92,115/year.

The estimated expenses for operating LMD No. 1 for FY 26/27 are \$183,492 (based on FY 2025/2026 actual costs), which includes landscape maintenance, repairs and utilities. About \$40,000 of these expenses are from each Zones' reserves in Zones 2, 6 and 10 and are being used for projects that have not previously been done and include: removal of diseased trees and sidewalk repair in Zone 2; converting to a drip irrigation system and refreshing plants in Zone 6; and tree trimming along Mountain Ave. in Zone 10. The revenues collected are \$164,031.63, a shortfall of approximately \$19,461 for the overall District. It should be noted that each zone within the District has its own fund balance and budget separate from other zones.

Attachment 7 identifies funding reserve balances in each zone. Some of the zones (Zones 3,4,5 and 9) do not have sufficient reserves to cover the projected expenses next year; therefore, a further reduction in maintenance services is imminent to reduce costs.

As requested by City Council, a RFP that combines all three of the City's landscape maintenance contracts is in the process of being prepared. This will include LMD No. 1, City parks and City facilities to determine if economies of scale could lead to cost savings. In the meantime, staff is recommending approval of Resolution 2026-71 to renew the current landscape maintenance services contract for the upcoming fiscal year. This contract will be for one year with the stipulation currently in the Agreement that it can be terminated with or without cause, subject to 30 days of written notice to Mariposa Landscapes, Inc. if the RFP yields a bid proposal for the City properties landscape maintenance services for a lesser cost.

Zones 1-5 of the LMD do not have an annual CPI escalator built into their authorizations. In effect, that means that revenue from those zones have been flat for 36 years. During that time CPI has increased where \$100 in 1990 would require \$259.19 in today's dollars. Costs for labor, water, power, and materials has increased over that period, while revenue has been flat. The only option to balance revenues and expenses is to cut services. The bid schedule included in this resolution for those zones reflects a maintenance schedule commiserate with the revenues generated by each zone.

JUSTIFICATION:

The Public Works Department does not have the required staff to fulfill the landscape needs of the LMD, and cannot provide the service at a rate below that proposed by the selected vendor. Therefore, it is necessary to retain a landscape maintenance contractor to provide these services.

FISCAL IMPACT:

Fund No. 111 (Landscape Maintenance Assessment District No.1) will be utilized to fund this contract for Fiscal Year 2026/2027 in the amount of "not to exceed" \$92,114.65. Account No. 111-4900-432-23.29 (Landscape Maintenance) in the amount of \$67,114.65 will fund the monthly operation and maintenance portion of the Contract Amendment and also be used to fund miscellaneous "as-needed" expenses related to irrigation repairs and landscaping replacement in the amount of up to \$25,000. The completion of miscellaneous repairs and replanting will be dependent on funding available in each individual zone.

ATTACHMENTS:

1. [Resolution 2026-71 - LMD Maint. Mariposa Landscaping.docx](#)
2. [Resolution 2027-71 Exhibit A, Amendment No. 2.pdf](#)
3. [LMD No.1 Map of Zones 1 thru 11 Combined.pdf](#)
4. [Reso. 2024-108, CC Meeting on 6.25.24.pdf](#)
5. [Reso. 2025-67, CC Meeting on 5.27.25.pdf](#)
6. [FY 26 27 Cost Proposal.pdf](#)
7. [Zone Funding.pdf](#)
8. [Photos.pdf](#)