

Agenda Report

December 11, 2023

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Parks, Recreation, and Community Services Department

SUBJECT: AUTHORIZE CITY MANAGER TO AMEND CONTRACT NO. 9706-3 WITH NORTON SIMON MUSEUM TO INCREASE ANNUAL LANDSCAPE MAINTENANCE CONTRACT BUDGET FROM \$159,756 TO \$328,226 ANNUALLY SUBJECT TO ANNUAL CONSUMER PRICE INDEX INCREASE

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption [formerly the General Rule]);
2. Authorize the City Manager to amend contract No.9706-3 with Norton Simon Museum to increase the annual contract landscape maintenance budget from \$159,756 to \$328,226, subject to annual Consumer Price Index; and
3. Appropriate \$98,274 from the General Fund to the FY 2024 Parks, Recreation and Community Services Department Operating Budget (10118070-811400) to cover increased expenses related to landscape maintenance at Norton Simon Museum.

BACKGROUND:

In 1975, the City of Pasadena entered into a 75-year ground lease agreement with Norton Simon Museum (NSM). As part of the agreement, NSM was responsible for all building improvements and structural maintenance, while the City was responsible for the upkeep of trees, shrubs, ground covers, planters, walkways, and the service, replacement and repair of irrigation systems. In 1978, the agreement was amended to allow NSM to undertake the contractual responsibility for landscape maintenance and required the City to reimburse NSM for payments made to the landscape contractor of their choice. In 1990, a second amendment was executed extending the term from 75 to 99 years and incorporating an annual Consumer Price Index escalator for landscape maintenance expenses. Finally, in 2003, the City Council approved an amendment to

the contract to increase the annual landscape maintenance costs due to significant improvements and renovations on the museum grounds. The lease agreement is set to expire in 2075.

The landscape needs at NSM have increased over time due to maturing trees, landscape improvements, and deferred pond maintenance. Through an evaluation of existing landscaping needs, NSM identified that the current vendor contract was insufficient to meet the landscape needs of the museum. Therefore, the current budget is no longer sufficient to maintain the grounds at a “reasonably satisfactory condition” as outlined in the lease agreement.

In April 2022, NSM issued a request for proposals for a new landscape contractor and received three bids. City staff assisted NSM with the preparation of the bid specifications to ensure the scope of work was consistent with the lease agreement provision and met NSM landscape needs. NSM selected Meier Brothers Landscape to provide landscaping, pest control, and pond maintenance services; and Brightview Tree Care Services to provide tree trimming service.

The \$168,470 increase in the annual maintenance cost is attributed to:

- 1) Increase in staffing levels- from 80 hours a week to 128 hours;
- 2) Increase in frequency - from five days a week service to seven days a week; and
- 3) Added a dedicated account manager to host bi-weekly meetings with the NSM facility director.

These service elements are crucial to adequately meet NSM’s growing maintenance needs and align with the lease agreement provisions. As the selected bidders, Meier Brothers Landscape and Brightview Tree Care Services have entered into an agreement with NSM.

The following table represents the cost summary.

Service	Annual Amount
Maintenance activities (landscaping, pest control and pond maintenance)	\$295,814
Tree trimming	\$32,412
Total Annual Cost	\$328,226

In addition to the annual landscape maintenance reimbursement, the City provides in-kind support for trash disposal, water for landscape maintenance, irrigation support, and capital projects such as the recently completed parking lot improvement.

Public Benefits

Since its inception, NSM has offered various public benefits to Pasadena and non-Pasadena residents and children through education programs. Public benefits from July 1, 2022 – June 30, 2023 included:

- 72 free school tours reaching approximately 2,350 students in fifth through twelfth grade (50% from Pasadena schools);
- Approximately 2,200 students (K-college) participated in the free, self-guided tour program (14% from Pasadena schools);
- Four virtual tours reaching 145 students for schools unable to visit the site in-person; and
- Three virtual lectures related to special exhibitions reached 495 attendees (35% Pasadena residents)

**Please note in-person school tours were re-introduced beginning November 2022*

In addition, NSM provides free admission to children under age 18, active military personnel, students with valid school identification cards, and holders of EBT cards. Approximately 17,000 children, active military personnel and EBT card holders received free admission in fiscal year 2023, and 26,000 students above 18 years of age received free admission during the same period. Please see Attachment A for additional information on public benefits provided by NSM.

COUNCIL POLICY CONSIDERATION:

This action is consistent with the City Council's goals to improve, maintain, and enhance public facilities and infrastructure, and to support and promote the quality of life and the local economy.


ENVIRONMENTAL ANALYSIS:

This action is exempt from the CEQA pursuant to State CEQA Guidelines Section 15061(b)(3), the Common Sense Exemption (formerly the general rule) that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The proposed amendment is an administrative action that does not involve any direct or indirect changes to the physical environment.

FISCAL IMPACT:


Approval of the recommended actions will amend the Parks, Recreation, and Community Services (PRCS) Department's FY 2024 Operating Budget (10118070 – 811400) by appropriating \$98,274 from the unappropriated fund balance of the General Fund (101). This represents seven months service payments in FY 2024, with an effective date of December 1, 2023. The full year allotment will be included in the PRCS FY 2025 Operating Budget.

Respectfully submitted,



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