



CITY OF POMONA

COUNCIL REPORT

January 5, 2026

To: Honorable Mayor and Members of the City Council

From: Anita D. Scott, City Manager

Submitted By: Meg McWade, Public Works Director

SUBJECT: AUTHORIZATION TO EXTEND AGREEMENT WITH MCE CORPORATION FOR MEDIANs, STREETsIDE/ROW AND OTHER LANDSCAPING AND AMENITY MAINTENANCE

RECOMMENDATION:

It is recommended that the City Council take the following actions:

- 1) Waive the formal bidding procedures pursuant to the provisions of Section 2-995 of the Procurement Ordinance; and
- 2) Authorize a one-year extension of the agreement with MCE Corporation beyond the original five-year term, for medians, streetside/ROW and other landscaping and amenity maintenance, effective March 1, 2026 through February 28, 2027, at an amount not to exceed \$434,231.93 for the initial one-year extension (a 3.5% increase from current contract) with up to four optional one-year extensions with annual cost adjustments based on the Consumer Price Index (CPI); and
- 3) Authorize the City Manager to execute the agreement with MCE Corporation, and any extra work, extensions or amendments thereto, subject to review by the City Attorney.

EXECUTIVE SUMMARY:

Staff recommends extending the agreement with MCE Corporation for an additional one-year term, through February 28, 2027, beyond the original contract's five-year term, with four optional one-year extensions to maintain cost-effective, high-quality landscape maintenance services in non-occupied medians, streetside, rights-of-way, and other landscaping and amenity maintenance. A review of comparable contracts from other municipalities revealed significantly higher rates, and MCE Corporation has indicated a willingness to continue services, with a 3.5% increase for the first extension, and annual CPI-based increases if extended beyond one-year, allowing the City of Pomona (City) to sustain lower rates, while ensuring uninterrupted landscape maintenance.

SB1439/GOVERNMENT CODE §84308 APPLICABILITY:

When this box is checked, it indicates the agenda item is subject to the Levine Act SB1439 requirements. Councilmembers are reminded to check their campaign contributions and determine whether they have received a campaign contribution of \$500 or more that would require disclosure and/or recusal from discussing or acting on this agenda item. Campaign contributions of \$500 or more made 1) by any person or entity who is identified in the agenda report as the applicant or proposer or 2) on behalf of the applicant or participant, including a parent, subsidiary or otherwise related business entity, or 3) by any person who has a financial interest in the agenda item requires a councilmember to comply with SB1439.

FISCAL IMPACT:

The Adopted Fiscal Year 2025-26 Budget has a total of \$514,587 for non-occupied median, streets/ROW, and other landscaping and amenity maintenance services in the following accounts:

| Non-Occupied Median, Streets/ ROW, and other Landscaping and Amenity Maintenance | Vendor | Account | Amount |
|---|-----------------|----------------------|------------------|
| GF, Park & Landscape Maint. | MCE Corporation | 101-4011-52932-00000 | \$150,007 |
| Measure R, Landscaped Median Maint. | MCE Corporation | 128-4012-52932-00000 | \$77,490 |
| Measure M, Landscaped Median Maint. | MCE Corporation | 138-4012-52932-00000 | \$77,490 |
| RMRA/SB1, Landscaped Median Maint. | MCE Corporation | 206-4012-52932-00000 | \$145,950 |
| Gas Tax, Landscaped Median Maint. | MCE Corporation | 208-4012-52932-00000 | \$36,750 |
| So. Garey Maint Assessment District | MCE Corporation | 253-4075-52932-00000 | 26,900 |
| Total: | | | \$514,587 |

Funding to account for renewal related CPI increases will be requested as part of the annual budget request for subsequent years of the contract. By extending the existing agreement, the City anticipates avoiding substantial rate increases associated with a new contract and contractor. This approach is projected to save the City hundreds of thousands of dollars annually, while still meeting non-occupied median, streets/ROW and other landscaping and amenity landscape maintenance needs citywide.

PREVIOUS RELATED ACTION:

On February 1, 2021, following a competitive bid process, the City Council awarded a three-year base term, with two optional one-year extension contract to MCE Corporation for landscape maintenance services in non-occupied medians, streetside/ROW areas, landscaping, and general amenity maintenance. The two optional one-year extensions have now been exercised.

DISCUSSION:

Since 2021 following a formal bid process and City Council award, MCE successfully provided landscape and amenity maintenance services to the City for medians, rights-of-way and other landscaping. As the end of the final extension approaches, Staff explored the City's option to competitively re-bid for these services, including a review of nearby cities landscape maintenance contracts. The analysis found that trends in other communities show increases ranging from 7.5% to 12% for the first year of services. Applying these trends to Pomona's current annual cost of \$419,547.76 suggests that re-bidding could result in a substantial cost increase to the City.

Given the General Fund budget constraints associated with Measure Y implementation and other current contract discussions, such an increase is not financially feasible for the City at this time. As a result, staff initiated discussions with MCE Corporation to explore the possibility of extending the existing contract beyond the original term. MCE Corporation has indicated a willingness to renew services on an annual basis, with annual cost adjustments tied to CPI. This approach offers cost predictability and protects the City's budget from the substantial rate increases observed in other jurisdictions for landscape maintenance needs. Since award, MCE Corporation has consistently provided reliable, high-quality landscape maintenance in the City.

Structuring the initial extension as a one-year term with four optional one-year extensions provides the City with flexibility. Should the financial impact of Measure Y change in future years, the City will have the option to re-bid services without being locked into a full five-year commitment, while still maintaining continuity of service in the near term.

Pomona's Procurement Ordinance (Ordinance No. 4276, Section 2-984) limits contract terms to five years unless specifically approved by the City Council. This request is being made under the provisions of Section 2-995 of the Procurement Ordinance, which allows for special procurement in cases of extenuating circumstances. The financial impacts of Measure Y implementation introduced additional pressure on the General Fund, requiring increased scrutiny of contract renewals and expenditures. Therefore, extending the contract with MCE Corporation presents the most fiscally responsible option. Entering a new contract at current market rates would result in significantly higher costs for the City.

Approval of the extension with MCE Corporation will ensure service continuity, cost stability, and the preservation of recent progress in median, rights-of-way and other area landscape maintenance. Staff recommends this approach as it best serves the City's operational goals and fiscal responsibility.

Prepared by:
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Attachments

Attachment No. 1 – MCE Agreement Extension Amendment
Attachment No. 2 – Original MCE Fully Executed Agreement