



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 09/15/2026

ITEM NO: 4

DATE: September 15, 2026
TO: Mayor and Town Council
FROM: Chris Constantin, Town Manager
SUBJECT: **Authorize the Town Manager to Execute a Second Amendment to the Agreement for Services for Janitorial Services with Frank and Grossman Landscape Contractors, Inc. Increasing Fiscal 2026-27 Compensation by \$5,860.35 to Reflect a 3% Consumer Price Index (CPI) Increase and to Add CPI Increases to Future Years**

RECOMMENDATION: Authorize the Town Manager to Execute a Second Amendment to the Agreement for Services with Frank and Grossman Landscape Contractors, Inc. to increase the Fiscal Year 2026-27 Compensation by \$5,860.35 to reflect a 3% CPI increase and to add CPI increases to future years.

FISCAL IMPACT:

The Second Amendment would increase Fiscal Year 2026-27 compensation by \$5,860.35, from \$205,536 to \$211,396.35, to reflect the 3% CPI adjustment provided for in the Agreement. Sufficient funds for the increase are available in the Adopted FY 2026-27 Parks and Public Works Facilities Maintenance Program (Account Code 6335423-63351).

The adjusted \$211,396.35 base would also apply to Fiscal Years 2027-28 and 2028-29, before any additional CPI adjustments applicable to those fiscal years. Future fiscal year funding is subject to Town Council approval of the operating budget appropriations made during the Town's annual budget process.

STRATEGIC PRIORITY:

Not Applicable. This item does not directly implement an adopted 2025-2027 Strategic Priority.

PREPARED BY: Nick Turner
Acting Fleet & Facilities Operations Manager

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Administrative Services Director, and Parks and Public Works Director

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SUBJECT: Second Amendment to Agreement for Services with Frank and Grossman
Landscape Contractors, Inc.

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This action supports the Town's Core Goal of Quality Public Infrastructure by providing clean and well-maintained public facilities.

BACKGROUND:

A Request for Proposal (RFP) was conducted on April 19, 2024, for contracted janitorial services at the Town's municipal facilities and park restrooms. Services under this agreement include routine cleaning and janitorial maintenance necessary to maintain Town facilities in a clean, safe, and sanitary condition. Frank and Grossman Landscape Contractors, Inc. presented the lowest responsible proposal, and on August 6, 2024, the Town Council authorized execution of an agreement for services.

To support the budget balancing efforts in Fiscal Year 2025-26, janitorial services for Town facilities were reduced to achieve cost savings. The recommended reduction decreased the contract amount for Fiscal Year 2025-26 from \$266,920 to \$205,536 and the total five-year contract amount from \$1,270,370 to \$1,024,834, representing \$245,536 (19%) savings compared to the original contract. This change was documented in Amendment 1 to the agreement.

The agreement provides for periodic adjustments to the contract amount based on changes in the Consumer Price Index (CPI), subject to the Town's approval. In accordance with this provision, Frank and Grossman Landscape Contractors, Inc. has requested a 3% CPI increase to the current compensation for janitorial services.

DISCUSSION:

The requested 3% increase is intended to address increased operating costs over the next year. The contractor has indicated that, after evaluating its expenses over the past year, including fuel, labor, and material costs, the proposed increase is necessary to maintain the current level and quality of services provided to the Town.

Staff has reviewed the request and found the proposed 3% adjustment reasonable and consistent with the CPI adjustment provisions of the existing agreement. Approval of the increase will allow Frank and Grossman Landscape Contractors, Inc. to continue providing reliable janitorial services while accounting for increased costs associated with performing the contract.

Staff has also reviewed the agreement with Frank and Grossman Landscape Contractors, Inc. and would recommend that Council authorize the Town Manager to increase said agreement by CPI each remaining year of the agreement pending, operating budget appropriations made during the Town's annual budget process. This authority will allow CPI adjustments to be applied annually without returning to Council for future amendments, consistent with the revised contract structure.

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CONCLUSION:

Staff recommend the Town Council approve the 3% CPI increase for janitorial services provided by Frank and Grossman Landscape Contractors, Inc. The adjustment is consistent with the provisions of the existing agreement and will support the continued provision of necessary janitorial services at Town facilities. Staff also recommend that CPI increases be added to future years of the agreement based upon operating budget appropriations made during the Town's annual budget process.

COORDINATION:

This report was prepared in coordination with the Finance Department.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Second Amendment
2. Original Agreement and First Amendment