

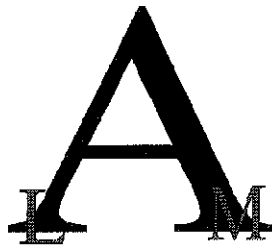
**RENEWAL OF GILBERT  
CONTRACT #320000423**

WHEREAS, the Town of Gilbert, a municipal corporation organized and existing under and by virtue of the laws of the State of Arizona, hereinafter referred to as "Gilbert" and **Artistic Land Management, Inc.**, hereinafter designated as "Contractor" entered into a Contract for the **Landscape Services for Water Production Sites** dated August 25, 2020; and

WHEREAS, Gilbert and Contractor have mutually agreed to renew the Contract for a term and price specified below;

NOW, THEREFORE, the parties agree as follows:

1. Contingent on funds being appropriated or budgeted by July 1, 2024 or by July 1<sup>st</sup> of any fiscal year thereafter for the renewal term, the Contract for the **Landscape Services for Water Production Sites** entered into by Gilbert and Contractor on August 25, 2020, is renewed for a period of one year commencing **July 1, 2024** and continuing through **June 30, 2025** ("the Renewal Term").
2. The Contract prices for the Renewal Term shall be as set forth in Exhibit A, which includes a **4%** increase in the Contract prices from the prior Contract term.
3. The Contract price for the Renewal Term shall not exceed **\$184,985.00** for the Renewal Term.
4. As part of this renewal, if applicable, Contractor shall provide Gilbert with current commercial application certification, copies of driver's licenses of employees servicing Gilbert, business or contractor license, performance bond, labor and material bond, and insurance certificates, as required in the original Contract Documents.
5. During the Renewal Term, the following additional terms and conditions apply:
  - a. Late Invoices. Notwithstanding any contrary terms set forth in the Contract, Contractor agrees that except for any amounts disputed by Gilbert in good faith, Gilbert shall pay all properly invoiced amounts due to Contractor on the following timeline and after invoice approval by Gilbert: (i) immediately for virtual card payments; (ii) within 15 days for ACH transfer payments; and (iii) within 45 days for paper check payments. Gilbert reserves the right to deduct up to ten percent (10%) from the invoiced amount for any invoice submitted more than sixty (60) days after the services or supplies are provided. Invoices for the month of June shall be submitted on or before July 15. Invoices submitted after the close out of the fiscal year (July 25) shall not be paid by Gilbert. Without prejudice to any other right or remedy it may have, Gilbert reserves the



Artistic Land Management, Inc.

June 25, 2024

MCC-CGCC  
2411 W 14<sup>th</sup> Street  
Tempe AZ 85281  
Ralph Baldengro

Re: Landscape Maintenance Contract Request for Renewal Increase

Thank you for giving Artistic Land Management Inc. (ALM) the opportunity to serve your landscaping needs. Your satisfaction is very important to us, and we hope we have been successful in providing you with excellent landscaping services.


The Arizona minimum wage increased in January 2024 by **3.6%**. We, of course, want to provide annual increases to our employees. In order to successfully maintain the services you are accustomed to, we have had to increase starting wages which then equates to increasing existing staff members rate of pay.

Insurance costs for Workers Compensation, Auto, and Health benefits continue to rise each year as well. Each year ALM re-evaluates the current plans, policies, procedures, and providers to find the best insurance fit for the company as well as the employees. Corporate Insurance rates for Auto, Workers Comp, General Liability, Umbrella, and Cyber insurance increased by **5.5%**.

Health insurance for ALM employees sustained a significant increase due to the loss of the previous insurance provider for Arizona – **35%**.

With that being said, we would like you to consider an increase of **3%** to allow ALM to provide you with the best possible service. We appreciate your cooperation and look forward to continued business together. If you have any questions or concerns, please do not hesitate to call me at 480-821-4966.

Respectfully



Jose Hernandez