



Legislation Text

File #: 1485-2015, Version: 1

This legislation will modify and combine 3 Lease to Purchase agreements with PNCEF, LLC (detailed below) for 385 golf riding cars and 7 ADA vehicles for the 6 municipal golf courses.

Lease #1 - Three (3) bids (2 competitive & 1 “No Bid”) (#SA003778 Lease of 198 Golf Riding Cars-Golf Division 2011-2015) for related services were opened by the Recreation & Parks Department Golf Division on November 24, 2010. The three bidders were Lake Erie Golf Cars, LLC, Mid-Ohio Golf Car and a “no bid” from Century Equipment Club Car. A Services Contract award was made with Lake Erie Golf Cars, LLC, to provide all services, maintenance and repairs for the golf cars. A Lease-Purchase Agreement was entered into with PNC Equipment Finance, LLC, which is the entity that holds title to and provides the financing for these 198 Golf Riding Cars. This is the fifth & final year -2015 - of the five year agreement - 2011-2015, for 198 riding cars which are leased for three of the six Columbus Municipal Golf Courses - Airport, Mentel and Champions Golf Courses for a total yearly amount of \$130,080.

Lease #2 - Two (2) bids (both competitive) (#SA004187 Lease of 154 Golf Riding Cars-Golf Division 2012-2016) for related services were opened by the Recreation & Parks Department Golf Division on November 21, 2011. The two bidders were: Lake Erie Golf Cars, LLC with financial institution PNCEF, LLC and Mid-Ohio Golf Car, Inc. with financial institution Yamaha Motor Corporation. A Services Contract award was made with Lake Erie Golf Cars, LLC, to provide all services, maintenance and repairs for the golf cars. A Lease-Purchase Agreement was entered into with PNC Equipment Finance, LLC, which is the entity that holds title to and provides the financing for these 154 Golf Riding Cars. This is the fourth year -2015 - of the five year agreement - 2012-2016, for 154 riding cars which are leased for three of the six Columbus Municipal Golf Courses - Raymond, Turnberry & Wilson Road Golf Courses for a total yearly amount of \$111,324.

Lease #3 - Two (2) bids (1 competitive & 1 “No Bid”) (#SA004771 Lease of 40 Golf Riding Cars-Golf Division 2013-2016) were opened by the Recreation & Parks Department Golf Division on January 28, 2013. The two bidders were: Lake Erie Golf Cars, LLC with financial institution PNCEF, LLC and a “no bid” from Mid-Ohio Golf Car, Inc. A Services Contract award was made to Lake Erie Golf Cars, LLC, to provide all services, maintenance and repairs for the golf cars. A Lease-Purchase Agreement was entered into with PNC Equipment Finance, LLC, which is the entity that holds title to and provides the financing for these 40 Golf Riding Cars. This is the third year -2015 - of the four year agreement - 2013-2016, for 40 riding cars which are leased for three of the Columbus Municipal Golf Courses - Airport, Mentel and Wilson Road Golf Courses for a total yearly amount of \$32,400.

This agreement/contract extension is in the best interest of the City as it will allow savings to be realized immediately for 2015 (up to \$84,711) by combining agreements into one as well as by locking in the 2013 riding car yearly rate for the five-year extension, 2016-2020, providing for multiple years savings over potential increases of the yearly rates of future bids.

Principal Parties:

Lake Erie Golf Cars, LLC
26565 Miles Road, Suite 200
Warrensville Heights, Ohio 44128
341880513 (expires 12-2-2016)
Local Rep: Danny Hayes
614-808-5735

PNCEF, LLC
995 Dalton Avenue
Cincinnati, Ohio 45203
221146430 (expires 3-27-2016)
Contact: Grace Sandlin

Emergency Justification: Emergency legislation is requested to assure timely manufacturing of the new riding cars and a smooth transitional trade out.

Financial Impact:

Payment for each year of the lease continues to be subject to annual approval by City Council and a yearly purchase order certified by the Auditor's Office for one year at a time. The total cost of the five (5) year extended lease is expected to be not more than \$1,559,250.

To authorize and direct the Director of the Recreation and Parks Department to modify and extend the existing Lease to Purchase Agreements with PNC Equipment Finance, LLC. and the service contracts with Lake Erie Golf Cars, LLC for 385 golf cars and 7 ADA vehicles at 6 Columbus Municipal Golf Courses; and to declare an emergency. (\$0)

WHEREAS, it is in the best interests of the City to modify and extend the three current lease to purchase agreements and service contracts, for an additional five years from 2016-2020; and

WHEREAS, this extended agreement will continue to provide 385 golf riding cars and seven ADA accessible cars for the six municipal golf courses; and

WHEREAS, all other terms and conditions of the lease to purchase agreements and services contracts will remain the same; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Recreation and Parks in that it is immediately necessary to modify the service contracts with Lake Erie Golf Cars, LLC. and the Lease-Purchase Agreement with PNCEF, LLC, dba PNC Equipment Finance, to assure timely manufacturing of the new riding cars and a smooth transitional trade out; **NOW, THEREFORE**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of Recreation and Parks be and is hereby authorized to modify and extend the services contract with Lake Erie Golf Cars, LLC, and the Lease-Purchase Agreement with PNCEF, LLC., dba PNC Equipment Finance, for an additional five years from 2016-2020, for 385 Golf Riding Cars and 7 ADA vehicles.

SECTION 2. That payment for each year of the lease is subject to City Council approval and a yearly purchase order certified by the Auditor's Office for one year at a time.

SECTION 3. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this legislation.

SECTION 4. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or 10 days after passage if the Mayor neither approves nor vetoes the same.