



Legislation Text

File #: 0270-2017, **Version:** 1

Background: This ordinance authorizes the City Auditor to set up a certificate in the amount of \$311,850.00 for the 2017 purchase order for lease payments to PNC Equipment Finance, LLC. This is the second year's payment of the five-year modification/extension of the golf riding cars for the Recreation and Parks Department's six municipal golf courses which was modified/extended by authorization of the Recreation and Parks Commission on June 10, 2015 and approved by Columbus City Council Ordinance Number 1485-2015 on June 8, 2015. Lake Erie Golf Cars will continue all maintenance services.

There were three separate lease-purchase agreements and service contracts: 1) 2011-2015; 2) 2012-2016; and 3) 2013-2017 which were modified and extended. This modification accomplished the following:

- Combined all three lease-purchase/service agreements into one;
- Extended this modified lease-purchase/service agreement by an additional five years for a term of 2016-2020;
- Exchanged existing cars assigned to each golf course with 385 all new 2015 manufactured riding cars;
- Locked in the monthly cost per car by the last bid price (in lease #3) of \$101.25;
- Assigned ownership of the seven ADA riding cars to the Division at no charge (not included in the new PNC payment schedule) with refurbishing (fitted with new batteries), maintenance and care still covered by Lake Erie Golf Cars, LLC; and
- Enabled a realized savings of \$88,761.00 in 2015 as well as providing for multiple years savings (potential increases of the yearly rates of future bids throughout the extended time period).

All other terms and conditions of the lease to purchase agreements and services contracts remain the same. This agreement/contract extension was in the best interest of the City.

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-year extended lease is expected to be not more than \$1,559,250.00.

Principal Parties:

PNC Equipment Finance, LLC
995 Dalton Avenue
Cincinnati, OH 45203
Daniel Smith
CCN: 221146430
Exp.: January 30, 2017

Emergency Justification: An emergency is being requested so the purchase order is certified and ready by the end of March 2017; payment is due April 1st.

Fiscal Impact: \$311,850 is required and budgeted in the 2017 Recreation and Parks budget to meet the financial obligations of this lease. The \$311,850 is broken out by course - see attached ACPO.

To authorize and direct the Director of Recreation and Parks Department to set up a purchase order for one year with PNC Equipment Finance, LLC; to authorize the expenditure of \$311,850.00 from the Recreation and Parks Operation Fund; and to declare an emergency. (\$311,850.00).

WHEREAS, it necessary to authorize the City Auditor to set up a certificate in the amount of \$311,850.00 for the 2017 purchase order for lease payments to PNC Equipment Finance, LLC; and

WHEREAS, it necessary to authorize the expenditure of \$311,850.00 from the Recreation and Parks Operation Fund 2285; and

WHEREAS, all contracts will be entered into in compliance with the procurement provisions of the Columbus City Codes Chapter 329; and

WHEREAS, funding is available for these expenditures within the Recreation and Parks Operation Fund 2285; and

WHEREAS, an emergency exists in the usual daily operation of the Recreation and Parks Department in that it is immediately necessary to authorize the purchase order so that it is certified and ready by the end of March 2017 since payment is due April 1st; **NOW, THEREFORE**

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

SECTION 1. That the Director of Recreation and Parks Department be and is hereby authorized to set up a purchase order for one year with PNC Equipment Finance, LLC.

SECTION 2. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

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 ordinance.

SECTION 4. That the City Auditor is hereby authorized to transfer the unencumbered balance in a project account to the unallocated balance account within the same fund upon receipt of certification by the Director of the Department administering said project that the project has been completed and the monies are no longer required for said project.

SECTION 5. That for the purpose stated in Section 1, the expenditure of \$311,850.00, or so much thereof as may be necessary to pay the cost thereof, be and is hereby authorized from the Recreation and Parks Operation Fund 2285.

SECTION 6. 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.