



Legislation Text

File #: 0037-2020, **Version:** 1

Background: This ordinance authorizes the Director of Recreation and Parks to renew/extend the contract for one year for the lease-purchase payments of the golf riding cars with PNC Equipment Finance, LLC. This is the fifth 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 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 not to exceed more than \$1,559,250.00.

Principal Parties:

PNC Equipment Finance, LLC
995 Dalton Avenue
Cincinnati, OH 45203
Daniel Smith
CCN: 221146430

Emergency Justification: Emergency legislation is needed to renew/extend the contract for one year for the lease-purchase payments of the golf riding cars as the annual payment is due April 1, 2020.

Benefits to the Public: This funding is necessary in providing golf riding cars for golfing customer's at all six courses.

Community Input Issues: Golfers at all City golf courses expect riding cars as part of their experience.

Area(s) Affected: All six municipal golf courses.

Master Plan Relation: The availability of golf riding cars is important to course operations. This continues to support the mission of the Recreation and Parks Master Plan by ensuring a strong customer base with successful on-going

revenue producing operations.

Fiscal Impact: \$311,850.00 is required and is budgeted from and within in the 2020 Recreation and Parks operating budget to meet the financial obligations of this lease. The \$311,850.00 is broken out by course per the accounting codes attached to this ordinance. This piece of legislation is contingent upon passage of the 2020 operating budget.

To authorize and direct the Director of the Recreation and Parks Department to renew/extend the contract for one year for lease-purchase payments of the golf riding cars 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 Director of Recreation and Parks to renew/extend the contract in the amount of \$311,850.00 for the 2020 lease-purchase payments to PNC Equipment Finance, LLC for the golf riding cars; and

WHEREAS, it necessary to authorize the expenditure of \$311,850.00 from 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 renew/extend the contract for one year for the lease-purchase payments of the golf riding cars as the payment is due April 1, 2020, thereby preserving the public peace, property, health, safety, and welfare; **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 renew/extend the contract for one year with PNC Equipment Finance, LLC. for the lease-purchase payments of the golf riding cars.

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 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 5. 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 ten days after passage if the Mayor neither approves nor vetoes the same.