

37027

Date: November 20, 2013

To: The Honorable Board of Acquisition and Contract

From: Kathleen M. O'Connor
Commissioner of Parks, Recreation and Conservation

Re: **Resolution authorizing the County of Westchester (the "County") to terminate a lease agreement with Agrico Credit Acceptance LLC dated April 2, 2010 for the provision of golf cars and enter into a new five-year lease agreement with Agrico Credit Acceptance LLC for the provision of golf cars, including GPS services, and a maintenance agreement to cover the golf cars during the lease term commencing upon delivery of all of the golf cars which is expected by March 1, 2014, subject to appropriations**

Authority is hereby requested from your Honorable Board to terminate a lease agreement with Agrico Credit Acceptance LLC dated April 2, 2010 for the provision of golf cars and enter into a new five year lease agreement with Agrico Credit Acceptance LLC for the provision of golf cars, including GPS services, and a maintenance agreement with Club Car, Inc. to cover the golf cars during the lease term commencing upon delivery of all of the golf cars which is expected by March 1, 2014, subject to appropriations.

Pursuant to a resolution approved on March 30, 2006, the County entered into a lease agreement with Club Car, Inc., ("Club Car"), 4125 Washington Road, Evans, Georgia 30809 to lease 220 golf cars for a sixty month term following the first date of delivery. The County had the option to terminate the agreement after 48 months with no penalty if the County decided to enter into a new five-year lease with Club Car for a new fleet at rates to be mutually agreed upon and approved by the Board of Acquisition and Contract.

Pursuant to resolutions approved on March 4, 2010 and March 18, 2010, the County exercised its option to terminate the lease agreement with Club Car, Inc. and the County entered into a new 54 month lease agreement and maintenance agreement with Agrico Credit Acceptance LLC, 8001 Birchwood Court, Johnston, IA 50131 ("Agrico Credit") at new rates commencing April 15, 2010.

The golf car lease agreement will expire after the 2014 golf season. However, the batteries for the electric golf cars will not last through the next golf season. If the County were required to purchase batteries for the electric golf cars for the 2014 season under the current agreement, the cost would be \$117,000. The current GPS contract will expire December 31, 2013. The County has entered into negotiations with the current golf car supplier for the price of new golf cars with a GPS system included to be provided under a new five-year lease agreement. The current lease for the older golf

cars will be terminated one year early and the County will not be required to pay the balance of \$637,773.62 due for the final year under the current lease. The County shall enter into a new five-year lease agreement for new golf cars which shall include a new and substantially improved Visage GPS system. The new agreement shall also include an additional 5 cars at Maple Moor, 9 cars at Saxon Woods and 5 golf cars at Hudson Hills. The golf car fleet of Hudson Hills would change from 65 electric cars to 70 cars, with 40 electric cars and 30 gasoline cars. The addition of the gasoline cars at Hudson Hills will allow the 40 electric cars to be more fully charged, extending their useful service and battery life. The agreement will also include full service maintenance. Although Club Car will be providing the leased golf cars and the maintenance services, the County will be entering into the proposed new lease and maintenance agreement with Club Car's financing company, Agrico Credit Acceptance LLC. The Department of Parks, Recreation and Conservation believes that this new five-year lease is in the best interest of the County and the golf course patrons as it would provide brand new golf cars for the 2014 season with a new and substantially improved GPS system and provide for 19 additional golf cars at a lower cost than the current golf car and GPS agreement.

The new lease agreement shall be for golf cars at the following golf courses:

Dunwoodie – 65 electric powered golf cars
Hudson Hills – 40 electric powered golf cars and 30 gasoline powered golf cars
Maple Moor – 65 gasoline powered golf cars
Mohansic – 60 gasoline powered golf cars
Saxon Woods – 65 gasoline powered golf cars
Sprain Lake – 60 gasoline powered golf cars.

The attached resolution would authorize the County to terminate the current lease at no cost to the County and enter into a new five-year lease with Agrico Credit Acceptance LLC commencing upon delivery of all golf cars which is anticipated to be on or about March 1, 2014 for the provision of 385 golf cars with Visage GPS displays and full-service maintenance. The County will pay a total of \$274,890 per year for the lease of the 385 golf cars, \$212,520 per year to for the lease of the new GPS system and \$56,960 per year for full-service maintenance. These fees are paid to Agrico Credit and Agrico Credit will subsequently make payment to Club Car, Inc.

The public purpose of the agreement is to allow the County to lease golf cars for the convenience and benefit of the public golfer. The goal of this agreement is to provide this important amenity to patrons of County golf courses and provide revenue to the County. The objective of this agreement will be tracked and monitored using financial reports and by site visits by Department of Parks, Recreation and Conservation staff.

Authority to exempt this Agreement from the requirements of the Westchester County Procurement Policy and Procedures pursuant to Section 3(a)xxi thereof has been granted by your Honorable Board in accordance with a separate resolution of even date herewith.

Accordingly, approval of the attached resolution is respectfully recommended.

KMO/JC/dm
Attachment

RESOLUTION

Upon a communication from the County's Commissioner of Parks, Recreation and Conservation, be it hereby:

RESOLVED, that the County of Westchester is hereby authorized to terminate, at no cost to the County, the lease agreement with Agricredit Acceptance LLC, 8001 Birchwood Court, Suite C, P.O. Box 2000, Johnston, IA 50131 ("Agricredit") dated April 2, 2010 for the rental of 366 golf cars and the related golf car maintenance agreement with Club Car, LLC, 4125 Washington Road, Evans, GA 30809 at no cost to the County; and be it further

RESOLVED, that the County of Westchester is authorized to enter into new five year lease agreement commencing upon the delivery of all of the golf carts which final delivery is expected to be March 1, 2014 with Agricredit for the provision of 385 new golf cars, including GPS service, with the County paying \$274,890 per year for golf cars, \$212,520 per year for GPS service and \$56,960 per year for full service maintenance and warranty protection, to be distributed to each County golf course as follows:

Dunwoodie – 65 electric powered golf cars

Hudson Hills – 40 electric powered golf cars and 30 gasoline powered golf cars

Maple Moor – 65 gasoline powered golf cars

Mohansic – 60 gasoline powered golf cars

Saxon Woods – 65 gasoline powered golf cars

Sprain Lake – 60 gasoline powered golf cars; and be it further

RESOLVED, that the County of Westchester is authorized to enter into a five year agreement with Club Car, Inc., 72 Grays Bridge Road, Brookfield, CT 06804 to provide the full-service maintenance and warranty protection during the golf car lease term. The cost of such maintenance shall be paid to Agricredit and Agricredit will subsequently make payment to Club Car, Inc.; and be it further

RESOLVED, that this Agreement is subject to County appropriations; and be it further

RESOLVED, that this Agreement is also subject to further financial analysis of the impact of any New York State Budget (the "State Budget") proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right either to terminate this Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the Contractor, then the Contractor shall have the right to terminate this Agreement upon reasonable prior written notice; and be it further

RESOLVED, that the that the County Executive or his duly authorized designee is hereby authorized to take such action and execute such documents as may be necessary and proper to effect the purposes hereof.

APPROVED BOARD OF ACQUISITION & CONTRACT - 12/19/2018 - JIMMY HEIN, SECRETARY

Original Agreement	\$	2,721,850
First Amendment	\$	
This Amendment	\$	
TOTAL	\$	<u>2,721,850</u>

Agreement #

Account to be Charged/credited

Fund	Dept	Capital Project or Org	Object/ Sub Object	Trust Account	Dollars	
165	42	3010	4380		\$274,890.00	2014
165	42	3050	4380		\$45,496.62	2014
165	42	3100	4380		\$45,496.62	2014
165	42	3150	4380		\$41,996.89	2014
165	42	3200	4380		\$45,496.62	2014
165	42	3250	4380		\$41,996.89	2014
165	42	3300	4380		\$48,996.36	2014
165	42	3010	4380		\$274,890.00	2015
165	42	3050	4380		\$45,496.62	2015
165	42	3100	4380		\$45,496.62	2015
165	42	3150	4380		\$41,996.89	2015
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165	42	3250	4380		\$41,996.89	2016
165	42	3300	4380		\$48,996.36	2016
165	42	3010	4380		\$274,890.00	2017
165	42	3050	4380		\$45,496.62	2017
165	42	3100	4380		\$45,496.62	2017
165	42	3150	4380		\$41,996.89	2017
165	42	3200	4380		\$45,496.62	2017
165	42	3250	4380		\$41,996.89	2017
165	42	3300	4380		\$48,996.36	2017
165	42	3010	4380		\$274,890.00	2018
165	42	3050	4380		\$45,496.62	2018
165	42	3100	4380		\$45,496.62	2018
165	42	3150	4380		\$41,996.89	2018
165	42	3200	4380		\$45,496.62	2018
165	42	3250	4380		\$41,996.89	2018
165	42	3300	4380		\$48,996.36	2018

Budget Funding Years 2014-2018 Start Date 3/1/2014* End Date 2/28/2019*

Funding Source	Tax Dollars	<u>\$2,721,850</u>
<u>\$2,721,850</u>	State Aid	<u> </u>
(must match resolution)	Federal Aid	<u> </u>
	Other	<u> </u>

*Estimated

APPROVED BOARD OF ACQUISITION & CONTRACT - 12/19/2013 - JOMARY WIRA, SECRETARY