

59324

Date: October 18, 2017

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 DLL Finance LLC dated March 21, 2014 for the provision of golf cars and enter into a new 5 year lease agreement with DLL Finance 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 on or about December 1, 2017, subject to appropriations.**

Authority is hereby requested from your Honorable Board to terminate a lease agreement with DLL Finance LLC dated March 21, 2014 for the provision of golf cars and enter into a new 5 year lease agreement with DLL Finance 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 on or about December 1, 2017, 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 60 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 opted to enter into a new 5 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 a resolution 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 Club Car’s financing company Agricredit Acceptance LLC (“Agricredit”) at new rates commencing March 15, 2010.

Pursuant to resolutions approved on December 12, 2013, the lease agreement for the golf cars was terminated one year early at no cost to the County, a new 56 month lease agreement was exempted from the Procurement Policy and the County entered into a new 56 month lease agreement for golf cars with a full service maintenance agreement and full warranty and GPS services starting on March 1, 2014.

Pursuant to a resolution approved on February 6, 2014, the County, as part of the lease agreement, agreed to indemnify and defend Agricredit in the event of damages arising from the use of the golf cars.

Pursuant to a resolution approved on March 10, 2016, the Lease Agreement with Agricredit was amended to reflect a name change to DLL Finance LLC effective November 2, 2015.

The golf car lease agreement is due to expire prior to the beginning of the 2019 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 2018 season under the current agreement, the cost would be \$97,700. 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 5 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 \$544,351.50 due for the final year under the current lease. The County shall enter into a new 5 year lease agreement for 385 new golf cars which shall include a new and substantially improved Visage GPS system and the new gasoline cars will have the improved "stop and go" technology which the County currently has for electric cars only. This will give the Department improved control of the gasoline powered cars to prevent golf cars from going into unintended areas thereby helping maintain course conditions, improving security and reducing liability.

The agreement will also include full service maintenance including an additional \$25,000 to cover damage above and beyond normal 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, DLL Finance LLC ("DLL"). The Department of Parks, Recreation and Conservation believes that this new 5 year lease is in the best interest of the County and the golf course patrons as it would provide brand new golf cars at the end of the 2017 season with a substantially improved GPS system. Additionally Club Car will provide 6 new Carryall 300 Gas Utility vehicles, 1 for each location, the refurbishing of 12 ranger vehicles, 2 for each location and "stop and go" technology for the new Electronic Fuel Injection ("EFI") gas cars. The electric cars already have "stop and go" technology and this has been extremely helpful from a safety, security and golf course maintenance perspective.

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

Dunwoodie – 65 electric powered golf cars
Hudson Hills – 30 electric powered golf cars and 40 gasoline powered golf cars
Maple Moor – 65 gasoline powered golf cars
Mohansic – 60 gasoline powered golf cars
Saxon Woods – 62 gasoline powered golf cars
Sprain Lake – 63 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 5 year lease with DLL Finance LLC commencing upon delivery of all golf cars which is anticipated to be on or about December 1, 2017 for the provision of 385 golf cars with Visage GPS displays and full-service maintenance. The County will pay a total of \$544,351.50 for the first year of the lease and \$555,901.50 per year for the remaining 4 years of the lease of the 385 golf cars. The lease includes equipment and maintenance for the Visage GPS system and a full-service maintenance agreement. Also included in the lease agreement is an annual

expenditure of \$25,000, if needed, above and beyond the full-service maintenance agreement. These fees are included in the per car price paid to DLL and DLL will subsequently make payment to Club Car.

The County also agrees to terms in the lease agreement to indemnify DLL for any losses, damages, penalties, claims, suits and actions, including, without limitation, court costs and attorney's fees.

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/
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACTS 1/29/2017 - KAM/JAJ, SECRETARY

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 the lease agreement with DLL Financing LLC, 8001 Birchwood Court, Suite C, P.O. Box 2000, Johnston, IA 50131 ("DLL") dated March 1, 2014 for the provision of 385 golf cars and the related golf car maintenance agreement with Club Car, Inc., 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 5 year lease agreement commencing upon the delivery of all of the golf cars which final delivery is anticipated to be on or about December 1, 2017 with DLL for the provision of 385 new golf cars including GPS service, full service maintenance and warranty protection and an additional \$25,000 per year to cover damage that is not covered under the warranty and maintenance agreement, including GPS service, with the County paying \$544,351.50 for the first year of the lease and \$555,901.50 per year for the remaining 4 years of the lease to be distributed to each County golf course as follows:

Dunwoodie – 65 electric powered golf cars

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

Maple Moor – 65 gasoline powered golf cars

Mohansic – 60 gasoline powered golf cars

Saxon Woods – 62 gasoline powered golf cars

Sprain Lake – 63 gasoline powered golf cars; and be it further

RESOLVED, that DLL Finance LLC shall provide 6 new Carryall 300 Gas Utility vehicles, 1 for each location and the refurbishing of 12 ranger vehicles; and be it further

RESOLVED, that the County is authorized to include in the lease terms the following terms:

"You (the County) are responsible for any losses, damages, penalties, claims, suits and actions, including, without limitation, court costs and attorney's fees, (collectively "Claims"), whether based on a theory of strict liability or otherwise caused by or related to (a) the

ownership, operation, use, lease, possession or delivery of the Equipment, (b) any defective condition in the Equipment arising while in Your possession or (c) this Lease (and any supplements and amendments hereof). To the maximum extent permitted by applicable law, You agree to reimburse Us (DLL) for and, if We request, to defend Us against any Claims. This indemnification will continue even after the termination of this Lease.”; 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.

Original Agreement	\$	2,767,957.50
First Amendment	\$	
This Amendment	\$	_____
TOTAL	\$	2,767,957.50

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	2018
165	42	3050	4380		\$45,493.50	2018
165	42	3100	4380		\$45,493.50	2018
165	42	3150	4380		\$41,994.00	2018
165	42	3200	4380		\$43,393.80	2018
165	42	3250	4380		\$44,093.70	2018
165	42	3300	4380		\$48,993.00	2018
165	42	3010	4380		\$286,440.00	2019
165	42	3050	4380		\$45,493.50	2019
165	42	3100	4380		\$45,493.50	2019
165	42	3150	4380		\$41,994.00	2019
165	42	3200	4380		\$43,393.80	2019
165	42	3250	4380		\$44,093.70	2019
165	42	3300	4380		\$48,993.00	2019
165	42	3010	4380		\$286,440.00	2020
165	42	3050	4380		\$45,493.50	2020
165	42	3100	4380		\$45,493.50	2020
165	42	3150	4380		\$41,994.00	2020
165	42	3200	4380		\$43,393.80	2020
165	42	3250	4380		\$44,093.70	2020
165	42	3300	4380		\$48,993.00	2020
165	42	3010	4380		\$286,440.00	2021
165	42	3050	4380		\$45,493.50	2021
165	42	3100	4380		\$45,493.50	2021
165	42	3150	4380		\$41,994.00	2021
165	42	3200	4380		\$43,393.80	2021
165	42	3250	4380		\$44,093.70	2021
165	42	3300	4380		\$48,993.00	2021
165	42	3010	4380		\$286,440.00	2022
165	42	3050	4380		\$45,493.50	2022
165	42	3100	4380		\$45,493.50	2022
165	42	3150	4380		\$41,994.00	2022
165	42	3200	4380		\$43,393.80	2022
165	42	3250	4380		\$44,093.70	2022
165	42	3300	4380		\$48,993.00	2022

APPROVED BOARD OF ACQUISITION & CONTRACTS - 11/09/2017 - SA MRIJAJ, SECRETARY

