

CITY COUNCIL MEMORANDUM

AGENDA ITEM

LEASE AGREEMENT WITH C&M GOLF AND GROUNDS EQUIPMENT FOR PARKS AND RECREATION MOWING EQUIPMENT

ORIGINATING DEPARTMENT

Community Services

BACKGROUND INFORMATION

Parks and Recreation has utilized a lease program for mowing equipment since 2008. The lease option provides the division with modern equipment without incurring any major maintenance fees. In addition, it allows the division to avoid the significant financial burden that would be incurred in one fiscal year if the equipment were purchased. Instead, the costs are distributed over a thirty-six month period. The current lease, thirteen pieces of equipment provided by C&M Golf and Grounds Equipment, expires on June 30, 2015.

DISCUSSION/CONCLUSION

Because the staff has opted to utilize larger mowers, the proposed lease agreement includes ten pieces of equipment and provides for increased mowing efficiency. Staff has secured pricing for the equipment with C&M through the TASB Buy Board, a purchasing cooperative, satisfying the city's bidding requirements pursuant to Texas Local Government Code section 271.102.

FISCAL IMPACT

Funds in the amount of \$8,901 are available in account 010-3025-425-4410 Hire of Equipment, FY 2014-2015, for the initial three months of the lease. The following thirty-three payments for the lease will be funded from the same account in fiscal years 2015-2016 (\$35,601), 2016-2017 (\$35,601), and 2017-2018 (\$26,701). These funds are budgeted annually via the division's base budget.

RECOMMENDATION

Staff recommends that the City Council authorize the lease of ten pieces of mowing equipment over thirty-six months to C&M Golf and Grounds of Waco, Texas, and that the city manager is expressly authorized to execute any and all change orders within the amounts set by state and local law.