



STAFF REPORT

DATE: April 20, 2021

TO: Kent Cagle, City Manager

FROM: Traci Briggs, City Attorney

SUBJECT: Amending resolution 21-017, authorizing a lease agreement for Parks and Public Grounds mowing equipment

BACKGROUND AND FINDINGS:

On February 9, 2021, the City Council approved Resolution 21-017 approving the lease of three (3) mowers to maintain parks and city facilities. The resolution authorized a lease with Professional Turf Products, L.P., which was not accurate. Turf Products, L.P. will be the vendor of for the equipment, but the lease will be with TCF Captial Solutions, the company financing the lease. All other information contained in the staff report for Resolution 21-017 was accurate and remains unchanged. The purpose of this amendment only to is to correct the actual leasing party.

Previously approved was a forty-four (44) month lease for one (1) Reelmaster 3100-D mower with 27-inch blade with lift arm and two (2) (20) Toro Z Master 26.5 HP Kohler CP EFI with 72" TURBO FORCE RD Deck. This equipment is utilized to maintain parks, trails, sports fields, multi-purpose fields and city facilities for a total cost of \$50,131.84, with forty-four (44) payments of \$1,139.36.

Recreation Services (RS) has determined that leasing mowing equipment is more beneficial than outright purchasing mowing equipment. Staff will have access to modern, up-to-date equipment that is covered under warranty for the duration of the lease. Depending on repairs needed a tech will repair mower on-site, deliver part(s), or mower will be picked up and repaired off-site. In addition, the lease option allows the financial burden to be distributed over forty-four (44) months. The FY 21 budget reflects funding for a mowing lease of \$7,975.52.

THE ALTERNATIVES CONSIDERED:

Option 1 - Not approve amending Resolution 21-017, so that RS may not lease the equipment

Option 2 - Approve amending Resolution 21-017 and allow RS to proceed with leasing the equipment

Which alternative is recommended? Why?

Option 2, approving an amendment to Resolution 21-017, which will allow the lease documents to be executed and RS staff to obtain the necessary equipment.

CONFORMITY TO CITY POLICY:

Professional Turf Products, L.P. is a member of the Texas BuyBoard Purchasing Cooperative (Contract # 611-20). Purchases made through a cooperative contract satisfies the state competitive bidding requirements as stated in Texas Local Government Code (TLGC) section 271.102, subchapter F; a local government that purchases goods or services under this subchapter satisfies any state law requiring the local government to see competitive bids for the purchase of the goods or services.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

Fiscal year 2020-2021 financial impact would be \$7,975.52. Fiscal impact of future years will depend on maintenance of the mowers, which is covered through warranty for the 44 months.

The fiscal impact is as follows:

- ☐ FY21 \$7,975.52 (7 months)
- ☐ FY22 \$13,672.32 (12 months)
- ☐ FY23 \$13,672.32 (12 months)
- ☐ FY24 \$13,672.32 (12 months)
- ☐ FY25 \$1,139.36 (1 month)

Is this a one-time or recurring expenditure?

RS will have forty-four (44) monthly payments of \$1,139.36.

Is this expenditure budgeted?

Yes, funds are available in account 010-9030-489.71-12

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

Yes

RECOMMENDATION:

Recreation Services staff recommends City Council approve amending Resolution 21-017 and authorize the City Manager or designee to execute the forty-four (44) month lease with TCF Capital Solutions as submitted in the amount of \$50,131.84 over the course of the lease. The City Manager or designee is further authorized to execute any change orders as permitted by state and local law.

DEPARTMENTAL CLEARANCES:

Legal
Purchasing
Finance

ATTACHED SUPPORTING DOCUMENTS:

Quote
Agreement
Certificate of Interested Parties