

Mayor and Council Communication

DATE: 06/23/20

M&C FILE NUMBER: M&C 20-0467

LOG NAME: 80GOLF EQUIP AND AMEND FY2020-2024 CIP

SUBJECT

Approve Use of Funds From the Golf Maintenance Equipment Project of the Municipal Golf Gas Lease Capital Projects Fund for the Purchase of Utility Carts, in an Amount Not to Exceed \$50,000.00, and Update the Fiscal Year 2020-2024 Capital Improvement Plan (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

It is recommended that the City Council approve the use of funds from the Golf Maintenance Equipment Project of the Municipal Golf Gas Lease Capital Projects Fund for the purchase of utility carts, in an amount not to exceed \$50,000.00 (City Project No.102650)

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to authorize the appropriation granted through M&C 20-0254, adopted on April 7, 2020, to be used to fund different maintenance equipment than what was previously authorized. The appropriation was for the use of Municipal Golf Gas Lease Capital Projects Fund revenue to purchase a verticutter/vacuum/mulcher unit (verticutter unit) and a fairway mower for the city's golf courses.

Five (5) utility carts were purchased using the Municipal Golf Operating Fund. However, due to the current COVID-19 pandemic and the resulting strain on the Municipal Golf Operating Fund, it is recommended that the utility carts be funded using the Municipal Golf Gas Lease Capital Projects Fund (City Project No. 102650) in lieu of purchasing the verticutter, which would be proposed to be purchased at a later date. This M&C will update the FY2020-2024 CIP plan accordingly.

The utility carts were purchased using the Municipal Golf Operating Fund (Golf Fund) for \$49,703.78 and have a late June 2020 delivery date. Although the cost of the utility carts is higher than the \$47,955.00 verticutter unit, there is additional capacity available as the cost of the fairway mower, also authorized by M&C 20-0254, is only \$35,023.00. The total cost of the five utility carts and the previously authorized fairway mower is \$84,726.58, which is less than the \$90,000.00 authorized by M&C 20-0254.

Because the Municipal Golf Operating Fund is a Special Revenue fund, revenues from sales, including a subsidy from the general fund, pay its expenditures. The COVID-19 procedures impacted the Golf Fund's ability to produce budgeted revenue while expenditures remained constant, producing a deficit.

The utility carts, which have useful life of at least 5 years, are used daily by the course maintenance staff. The verticutter is a needed piece of equipment, but less of a priority than the utility carts. The utility carts will be utilized at the Meadowbrook (Council District 4) and Pecan Valley (Council District 3) golf courses. Municipal golf courses are classified as special use citywide facilities that serve the entire City of Fort Worth.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current capital budget, as previously appropriated, in the Municipal Golf Gas Lease Capital Projects (Muni Golf Gas Lease Cap Proj) Fund Golf Maintenance Equipment project to support the approval of the above recommendation and the purchase of the equipment. Prior to any expenditure being incurred, the Park & Recreation Department has the responsibility to validate the availability of funds.

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