
MEMO FROM:**Roger A. Kean, Executive Director
Scott County Conservation**

DATE: [January 6, 2015]
TO: [Dee Bruemmer, County Administrator]
SUBJECT: [Lease-Purchase of Turf Equipment for Glynn's Creek Golf Course]

The Conservation Board hereby requests that a Public Hearing and Board Approval for the lease-purchase of turf equipment for Glynn's Creek Golf Course be placed on the agenda for your January 15, 2015 Board meeting at 5 pm per the requirements of the Code of Iowa.

Enclosed please find the accepted quote from Turfwerks, (the Jacobsen equipment dealer), which was tentatively approved by the Conservation Board at their December meeting pending the public hearing and final Board of Supervisors approval.

This quote shows the purchase prices for 3 Jacobsen model LF1880 fairway mowers and 2 Jacobsen model Eclipse 322 greens mowers with a total purchase price of \$171,101.39, less trade-in value of like equipment of \$28,000, **for a net purchase price of \$143,101.39**. In addition, the quote shows the annual lease payment of **\$39,091.25**. This amount is based on an annual interest rate of 4.318%, which results in total interest costs of \$13,263.61 over the 48 month life of the lease. Various purchase and lease options were reviewed by the Conservation Board and the County Budget Manager. This option is being recommended for approval because:

- It eliminates the need to request additional appropriations from the General Fund to cover the total purchase price of the equipment in the Golf annual operating budget.
- It gives us a consistent payment amount for annual budgeting purposes, and to accommodate additional equipment replacement needs in the future.
- It spreads the equipment costs over a 4 year period so that they can be covered by the annual reserves within the Golf Fund and/or Conservation Capital Reserve.
- It allows us to own the equipment at the end of the lease period which will give us the added flexibility of being able to keep the equipment for a longer period of time if the condition allows, or to look at other purchase or lease options at that time.

The complete lease documents have been sent to the County Attorney's office for review and approval, and this memo, equipment quote, and resolution documentation have been placed in the Board review folder.

We appreciate your consideration and support of this request.

TurfWerks

PARTNERS IN GROWTH

Eagan, MN - Johnston, IA - Sioux Falls, SD - Omaha, NE

Equipment Request

Customer Name	Glynns Creek Golf
Account Number	
Contact Person	Dustin Hutcherson/Roger Kean
Phone Number	
Mobile Number	
Fax Number	

Date	12-Nov-14
Ship Address	
City	Long Grove
State	IA
Zip Code	
Email Address	

PO Number X _____

Salesman Number Josh Shull _____

Deliver Date X _____

Special Terms _____

MODEL #	QTY	PRODUCT DESCRIPTION	List Price	NJPA Price under 100K	NJPA Price over 100K
Option 4					
	3	LF1880, 25hp Kubota, 8 blade reels, 2wd	\$48,723.00	\$ 36,055.02	\$ 34,349.72
	2	Eclipse 322, 13hp Gas Hybrid, 15 blade reels and rear roller brushes	\$48,264.00	\$ 35,715.36	\$ 34,026.12
				Total buying 5 units	\$ 171,101.39
*This pricing is based off the NJPA contract. You get 26% off current list price or if you purchase over 100K you get an additional 3.5% off which equals 29.5% off list. They must all be on the same PO.					
Trades:					
	1	LF1880	\$ (4,000.00)		\$ (4,000.00)
	1	LF1880	\$ (4,000.00)		\$ (4,000.00)
	1	Eclipse 322	\$ (10,000.00)		\$ (10,000.00)
	1	Eclipse 322	\$ (10,000.00)		\$ (10,000.00)
Financing based on 4 Year \$1 Out Lease own at end of term. One Annual Payment July 15th 2015, 2016, 2017, and 2018.					
Option 4 based on \$171,101.39 - \$28,000 = \$143,101.39					
Annual Payment			\$39,091.25		

Subtotal	\$	143,101.39
Sales Tax	\$	-
TOTAL	\$	143,101.39

Notes
***3 Year warranty on all above machines**



NOTICE OF PUBLIC HEARING

Scott County Board of Supervisors

Leasing of Turf Equipment for Glynns Creek Golf Course

The Scott County Board of Supervisors will hold a public hearing relative to the proposed leasing of turf equipment for Glynns Creek Golf Course. The purpose of this public hearing is to take public comment on the proposed lease. The Board will hold their public hearing at:

5:00 p.m. local time on January 15, 2015

The location for this public hearing is:

Scott County Administration Building
First Floor Board Room
600 West Fourth Street
Davenport, IA 52801

The Scott County Board of Supervisors plans to take action to authorize the Scott County Conservation Board to enter into a 4-year \$1 Buy-Out Lease To Own at End of Term, for turf equipment to be used at Glynns Creek Golf Course. The proposed cost for this lease is \$143,101.39 principal and cumulative interest of \$13,263.61 for 4-annual payments of \$39,091.25.

At the meeting, the board shall receive oral or written objections from any resident or property owner of the county. After all objections have been received and considered, the board, at that meeting or a date to which it is adjourned, may take additional action to authorize the debt or abandon the proposal.

Equipment information for this lease is on file at the owner's offices:

Scott County Conservation Board
14910 110th Ave
Davenport, IA 52804

The owner's contact for this project is, Roger Kean, Executive Director Scott County Conservation Board, 563-328-3280 or via e-mail conservation@scottcountyiowa.com

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES
THAT THIS RESOLUTION HAS BEEN FORMALLY
APPROVED BY THE BOARD OF SUPERVISORS ON

DATE

SCOTT COUNTY AUDITOR

R E S O L U T I O N

SCOTT COUNTY BOARD OF SUPERVISORS

January 15, 2015

A RESOLUTION APPROVING THE CONSERVATION BOARD TO ENTER INTO A 4-YEAR LEASE AGREEMENT FOR TURF EQUIPMENT AT GLYNNS CREEK GOLF COURSE.

BE IT RESOLVED BY the Scott County Board of Supervisors as follows:

- Section 1. That the Conservation Board is authorized to enter into a 4-year lease agreement for turf equipment at a cost of \$143,101.39 principal and cumulative interest of \$13,263.61 payable in 4-annual payments is hereby approved.
- Section 2. That the Conservation Board Director is hereby authorized to sign all applicable lease documents.
- Section 3. This resolution shall take effect immediately.