

From: Steve Gross <sgross@mrsc.org>
Sent: Wednesday, August 26, 2020 8:49 AM
To: dirswprd@whidbey.com
Subject: MRSC Inquiry: Sharing equipment with private party

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Doug,

You submitted the following inquiry: Good afternoon, We have been approached by a privately owned golf club to enter into a policy of sharing some equipment to our mutual benefit. They have some pieces of equipment that would be beneficial to our operation and we have some equipment that would be beneficial to them in theirs. Is this something we can do? Are there any pitfalls we should be aware of if so? Regards, Doug Coutts

Response:

Parks and Recreation Districts have broad authority to enter into contracts ([RCW 36.69.130](#)). Because of the constitutional prohibition on gifting of public funds and lending of credit, your commission should make some findings about whether the value of the exchange in use is roughly equivalent. (It does not have to pencil out to the penny – the value of not having to purchase or maintain equipment that you rarely use can be acceptable consideration.

Be aware that you will be providing a competitive advantage to your private partner over other private clubs. If you are not willing to enter similar agreements with other private clubs your district may be accused of improperly helping one club.

As a practical matter, there are several questions you will need to resolve as part of the contract. In no particular order of importance:

1. Does the equipment come with an operator, or will each group get to operate the equipment?
2. Depending on your answer to #1, how will you ensure that all personnel are properly trained on the equipment?
3. How do you intend to allocate maintenance and repair costs? Will the “owner” of each party be responsible, or will you share costs based on hours used (or some other formula).
4. Insurance: Make sure everyone’s carrier is comfortable/will cover use of agency equipment by a non-employee of the agency.
5. Scheduling and priority of use. What’s your “normal” scheduling going to look like? Who decides priority of use, the owner of the equipment?
6. Dispute resolution. How will you resolve issues?
7. Termination clause. For “cause” only, mor at either party’s convenience? Will you include a provision that requires past debts related to the contract to be paid?

I also recommend that you consult with your district’s attorney on the form of the contract. And, your colleagues at the [Washington Recreation & Parks Association](#) may have some insight or examples of contracts.

I hope this is helpful. Please let me know if you have other questions.

Steve

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