

## MEMORANDUM

TO: Park Advisory Commission

FROM: Colin Smith, Parks & Recreation Services Manager

DATE: January 29, 2019

SUBJECT: Resolution to Approve the Purchase of Golf Course Maintenance Equipment from Spartan Distributors (NIPA – \$129,325.57)

The attached resolution recommends the authorization of the purchase of three pieces of maintenance equipment for the two City golf courses from Spartan Distributors, Sparta, MI, under the National IPA cooperative purchasing contract #2017025. This includes one Toro Greensmaster TriFlex Hybrid 3320 greens mower, one Toro Groundsmaster 4500-D, and one Toro Workman HD- 2WD.

In 2018, the City of Ann Arbor adopted a newly revised Green Fleets Policy aimed at reducing emissions as well as fuel use. The Toro Greensmaster TriFlex Hybrid 3320 mower was chosen in accordance with this policy. At this time, there are no low-emission alternatives to the other two pieces of equipment.

The three pieces of equipment will replace three pieces of existing golf course maintenance equipment. This includes a 2008 Toro Greensmaster 3150 with 3,577 hours of use, a 2008 Toro Groundsmaster 4500-D with 4,554 hours of use, and a 2008 Toro Workman HD with 2,223 hours of usage. This class of equipment is usually replaced after seven years of service and all of these pieces have exceeded this standard.

### Budget/Fiscal Impact

The City is in the final year of a three year plan to replace outdated golf course equipment and include the new equipment in the Fleet Fund for replacement funding purposes. Including these assets in the Fleet Fund allows the replacement costs to be spread over the lifetime of the asset so funds are then available in the Fleet Fund when it is time to replace this equipment. The future impact of the Fleet Replacement charges for the equipment included in this resolution will be an annual amount of approximately \$18,040.92 in the Parks & Recreation Services, Golf Courses General Fund operating budget beginning in FY 2020.

Prior to the start of this three year equipment replacement plan, golf maintenance equipment was last purchased for the golf courses in 2008. At that time the golf courses were in an Enterprise Fund and were not generating sufficient revenue to cover expenses. As such, when the equipment was purchased the decision was made not to enter the Fleet Fund as this would have further increased annual operating costs. In

2013 the Golf Course Enterprise Fund was closed and golf course operations are now part of the Parks & Recreation Services General Fund operating budget. As the aging maintenance equipment is being replaced, inclusion in the Fleet Fund will insure that the new equipment will be included in the replacement funding process in future years.

Funding for the replacement equipment comes from the approved Parks Maintenance and Capital Improvements Millage FY 19 budget with ongoing Fleet Replacement charges coming from the golf courses General Fund operating budget.

Spartan Distributors complies with the requirements of the City's conflict of interest and non-discrimination ordinances.

Resolution to Recommend Approval of the Purchase of Golf Course Maintenance  
Equipment from Spartan Distributors (NIPA – \$129,325.57)

Whereas, The Fleet & Facilities Unit needs to purchase replacement golf course maintenance equipment for the City's fleet;

Whereas, Spartan Distributors, Sparta, MI, was the lowest responsive bidder to the National IPA Cooperative Purchasing Program (contract #2017025);

Whereas, Spartan Distributors complies with the requirements of the City's conflict of interest and non-discrimination ordinances;

RESOLVED, That the Park Advisory Commission recommend the three pieces of golf course maintenance equipment being replaced be traded in or sold at the next City vehicle auction held after the equipment is removed from service; and

RESOLVED, That the Park Advisory Commission recommend approval of the issuance of a purchase order to Spartan Distributors for the purchase of three pieces of golf course maintenance equipment for a total amount of \$129,325.57 and the future budgeting of annual replacement costs of approximately \$18,040.92 in the Parks & Recreation General Fund operating budget to fund future replacements.