



## Legislation Text

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**File #:** 19-0141, **Version:** 1

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

The attached resolution authorizes 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. The pieces include one Toro Groundsmaster 4500-D, one Toro Workman HDX-2WD, and one Toro Greensmaster TriFlex Hybrid 3320.

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

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

At their January 29, 2019 meeting, the Ann Arbor Parks Advisory Commission recommended Council's approval of this action.

**Budget/Fiscal Impact:** The City is in the final year of a three year plan to replace outdated golf course equipment. The new equipment is included in the Fleet Fund for replacement funding purposes. Including these assets in the Fleet Fund allows their replacement costs to be spread over their lifetime 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 \$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 is budgeted for and large one-time expenses are not necessary.

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

**Green Fleet Impact:** At their December 20, 2018 meeting, the Green Fleet Committee approved the need for the replacement of these vehicles, that the proposed replacements are consistent with the

Green Fleet Policy, and recommended the approval of this resolution. The Sustainability and Innovations Manager has concurred with the actions of the Committee.

Prepared by: Matthew J. Kulhanek, Manager Fleet and Facilities Unit

Reviewed by: John Fournier, Assistant City Administrator

Derek Delacourt, Community Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

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 City Council approve 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;

RESOLVED, That funds for the purchase of this equipment come from the FY 2019 Parks Maintenance and Capital Improvements Millage budget;

RESOLVED, That 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 City Administrator be authorized to take the necessary actions to implement this resolution.