

MEMORANDUM

TO: Park Advisory Commission

FROM : Josh Landefeld, Parks & Recreation Services Manager

DATE: January 16, 2024

SUBJECT: Resolution to Recommend Approval of an annual Golf Cart Lease with Golf Cars Plus (\$159,210.00)

Attached for your review and action is a resolution recommending entering into a lease agreement with Golf Cars Plus to lease 104 golf carts and three utility vehicles for the 2024 - 2028 seasons, for use at Huron Hills and Leslie Park Golf Course. The current golf cart lease expired at the end of the 2023 season.

Both Huron Hills and Leslie Park Golf Courses offer golf carts for rental. This is a significant revenue generator for both courses. In FY2023, golf cart rentals resulted in approximately \$398,000 in revenue.

An Invitation to Bid (ITB #4725) was advertised on the Michigan Inter-governmental Trade Network as well as on the City of Ann Arbor Purchasing website.

Two bids were received by the City:

Golf Cars Plus

- 104 Golf carts (2024) at \$195.00 per unit per month for six months: \$121,680
- 63 YamaTrack GPS Units at \$80.00 per unit per month for six months. \$30,240
- 3 Utility UMAX carts (2023) at \$405.00 per month for six months: \$7,290
- Total: \$159,210.00 per year

Midwest Golf & Turf

- 104 Golf carts (2024) at \$ 192.00 per month for six months: \$119,808
- 63 GPS* Units at \$78.00 per unit per month for six months. \$29,484
- 3 Utility carts (2023) at \$450.00 per month for six months: \$8,100
- Total: \$157,392.00 per year
 - o *The GPS units here did not include a 3rd customer service module that the Yamaha ones did. To obtain this comparable unit, it increases Midwest Golf's bid by \$24 per month totaling an additional \$9,072 per year, raising their total to \$166,464 per year.

Staff recommends moving forward with Golf Cars Plus and their annual bid of \$159,210.00 per year. Staff are satisfied with the carts and GPS units bid by Golf Cars Plus. Additionally, staff have worked with Golf Cars Plus for the last eight seasons and have been extremely satisfied with the performance of the carts and responsiveness from the company in regards to maintenance needs for the golf carts.

Also, it is worth to note that the Golf Cars Plus golf carts selected are 7 MPG more fuel efficient than the carts offered by Midwest Golf & Turf. This fact alone, will save an additional 1,100 gallons and \$2,800 per season.

Parks staff are working with the Office of Sustainability to explore a transition to electric golf carts and identify funding sources for the project. Currently solar panels are being installed at both

courses near the maintenance barns, irrigation pump houses and cart storage pens. They are projected to be completed at the end of the 2024 season. This will allow us to someday convert to electric golf carts and tap into these power sources. But this will also require a significant capital outlay to build cart barn structures at both Huron Hills and Leslie Park Golf Courses to house the golf carts and the charging stations needed to charge them. In 2016 we went to bid for a cart storage facility at Leslie Park Golf Course with the necessary infrastructure to support electric golf carts. The lowest bid was \$429,900.00 and at that time was deemed cost prohibitive. Because of this expense, a transition to electric carts within the next five years, though desired, probably is not feasible without new major funding or grants. Staff will work to expedite a transition toward an electric fleet of golf carts in the future.

It is requested that the lease agreement be approved for four years (with a year renewal option), for an amount not to exceed \$159,210.00 per year. Funding is available in the FY2024 approved Parks & Recreation Services General Fund operating budget and will be included in the budget plan for future years.

RESOLUTION TO RECOMMEND APPROVAL OF A GOLF CART LEASE WITH GOLF CARS
PLUS (\$159,210.00)

Whereas, Golf carts are an important aspect of the golf operations and are available for rental at both Huron Hills and Leslie Park Golf Courses;

Whereas, In the interest of providing City customers with a quality and reliable vehicle for rental the City desires to enter in a lease agreement with Golf Cars Plus;

Whereas, Golf Cars Plus was the low bidder for ITB#4725; and

Whereas, Funding is available for FY2024 in the approved Parks & Recreation Services General Fund and will be included in the budget plan for future years of the lease; and

Whereas, Golf Cars Plus has submitted all required Non-Discrimination, Prevailing Wage, Living Wage, and Conflict of Interest Disclosure forms and complies with the requirements of the City's Non-Discrimination, Prevailing Wage and Living Wage Ordinances;

RESOLVED, That the Park Advisory Commission recommend approval of a lease contract with Golf Cars Plus for the lease of 104 golf carts and three utility vehicles for the 2024-2028 calendar years, for an annual amount not to exceed \$159,210.00 per year.