



Legislation Text

File #: 17-2004, **Version:** 1

Resolution to Approve the Purchase of Golf Course Maintenance Equipment from Spartan Distributors (NIPA - \$140,392.08)

The attached resolution authorizes the purchase of five 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 consist of one Toro Greensmaster 3150-Q, one Toro Reelmaster 5410-D, one Toro Multi Pro 1750, and two Toro Workman GTX.

The equipment will replace six pieces of existing golf course maintenance equipment: a 2008 Toro Greensmaster 3150 with 3,260 hours of use, a 2008 Toro Reelmaster 6700 with 2,574 hours of use, a 2001 Cushman Spraytek with 2,247 hours of use, a 2001 Club Car Carryall with unknown hours of usage and two 2004 Club Car DS with unknown hours of usage. This kind of equipment is usually replaced after seven years of service; all of these pieces have exceeded this standard.

Budget/Fiscal Impact

The City is in year two of a three-year plan to replace outdated golf course equipment. Funding for the replacement equipment under this plan comes from the approved FY 2018 Parks Maintenance and Capital Improvements Millage budget.

The City intends to fund future golf course equipment replacement purchases from the Fleet Fund. The cost of the future replacement of the equipment covered under this resolution is \$19,584.69 per year, which will be paid from the Parks & Recreation Services, Golf Courses General Fund operating budget, beginning in FY 2019, into the Fleet fund. This will allow replacement costs to be spread over assets' lifetimes, so funds are available in the Fleet Fund when it is time to replace this equipment.

As background, prior to the start of this three-year equipment replacement plan, golf maintenance equipment was last purchased 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.

At their December 19, 2017 meeting, the Ann Arbor Park Advisory Commission recommended Council's approval of this action.

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

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Reviewed by: Craig Hupy, Public Services Area 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;

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 non-discrimination ordinances;

RESOLVED, That City Council approve the issuance of a purchase order to Spartan Distributors for the purchase of five pieces of golf course maintenance equipment for a total amount of \$140,392.08;

RESOLVED, That funds for the purchase of this equipment come from the approved FY 2018 Parks Maintenance and Capital Improvements Millage budget;

RESOLVED, That the six 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.