



**Council
Communication**
Office of the City Manager

Date

March 20, 2006

Agenda Item No. 56

Roll Call No. ~~06-~~

Communication No. ~~06-146~~

Submitted by: Donald M. Tripp, Park and Recreation Director

AGENDA HEADING:

Public Hearing to award bid to E-Z-GO Division of Textron for the Golf Car Lease for the Park and Recreation Department, \$222,583.14 over three years. (Nine bids mailed, six received).

SYNOPSIS:

Hold hearing and recommend approval to award the Golf Car (or cart) Lease Bid to E-Z-GO Textron, (John Garrison, President 24404 N. Hwy. 12, Lake Zurich, IL 60047). On February 3, 2006, the City's Purchasing Division issued bids (Bid No. V06-088) for leasing of golf cars on the City's municipal golf courses. As a part of this bid process, Blank Golf Course participated as an add alternative with the ability to either accept or reject the bids independent of the City. Of the nine bids mailed, the City received a total of six bids, and only three bids that met the established criteria. The Park and Recreation Department recommends awarding the bid to E-Z-GO Division of Textron as the lowest compliant bidder.

FISCAL IMPACT:

Amount: \$74,194.38 per year for a total of \$222,583.14 for the three (3) year term of the Lease Agreement.

Funding Source: Funding for the first year of the lease is available in the FY06 Operating Budget as follows. Subsequent years of the lease will be funded through future budgets.

- EN201 PKS 010704, page 264 (Grandview - 45 cars) \$28,536.30 (year 1).
- EN201 PKS 010707, page 265 (Waveland - 72 cars) \$45,658.08 (year 1).

The golf car lease payment will be paid through user fees from car rentals. In FY05, the City collected \$251,000 at Waveland and \$125,000 at Grandview for a total collection of \$356,000 from golf car rentals.

ADDITIONAL INFORMATION:

A sample of the Golf Car Lease Agreement is on file in the City Clerk's Office in addition to the Financing Agreement with National City Golf Finance, who will be financing the E-Z-GO Textron Golf Car Lease. Staff recommends that the City Manager be authorized to sign the Assignment Agreement upon Legal review.

Under the previous Lease Agreement, the City was paying \$103.25 per car per month for a total annual payment of \$72,481.25. The new bid price represents a net annual increase of \$1,712.88.

PREVIOUS COUNCIL ACTION(S):

Date: March 6, 2006

Roll Call Number: 06-435

Action: Setting Date of Hearing On Lease Agreement with E-Z-Go Division of Textron, Inc., for rental of golf carts over a 3-year period and allowing for one 3-year extension, \$74,194.38 annually, (3-20-06). Moved by Brooks to adopt. Motion Carried 6-1.

Date: May 15, 2000

Roll Call Number: 00-1470

Action: On lease agreement with E-Z-Go Division of Textron, Inc., for rental of golf carts for a three-year period, and allowing for one three-year extension. Moved by Vlassis to adopt. Motion Carried 5-2. Absent: Flagg and Coleman.

BOARD/COMMISSION ACTION(S): NONE

Date:

Roll Call Number:

Action:

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The current Lease Agreement allows for one (1) three (3) year renewal, upon mutual agreement of both parties.