



Legislation Text

File #: 20-0140R, **Version:** 1

RESOLUTION AWARDING A CONTRACT TO DE LAGE LANDEN PUBLIC FINANCE LLC FOR THE FOUR-YEAR SEASONAL LEASE OF 110 GOLF CARTS AND 12 MAINTENANCE/UTILITY VEHICLES FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$327,955.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to enter into a lease agreement, substantially in the form attached as Exhibit A, with De Lage Landen Public Finance LLC for the four-year seasonal lease of golf carts and maintenance/utility vehicles for the Lester and Enger Park golf courses, for a total contract amount not to exceed \$327,9545, payable as follows:

\$188,208	503-400-ENGR-5415 (Golf, Parks & Recreation, Golf Course - Enger, Vehicle/Equip Rent (short-term)
\$139,747	503-400-LSTR-5415 (Golf, Parks & Recreation, Golf Course - Lester, Vehicle/Equip Rent (short-term)

RESOLVED FURTHER that this four-year lease is subject to the availability of funds.

STATEMENT OF PURPOSE: This resolution authorizes a lease agreement with De Lage Landen Public Finance LLC for the four-year seasonal lease of 110 golf carts and 12 maintenance/utility vehicles for an annual amount not to exceed \$81,989, payable from the golf fund. This will be paid in six monthly installments each year, May through October.

The golf carts are leased exclusively as rentals to golfers at both the Enger and Lester Park golf courses. The utility carts are used by golf course personnel for maintenance activities. Sales tax is collected with each rental. The lease agreement includes a distributor balloon payment guarantee.

The number of carts to be leased has been reduced from 140 to 110 in association with the reduction in holes from 54 to 45 in 2020 and the reduction in rounds from approximately 80,000 per year at the outset of the former lease to the recent trend of approximately 60,000 per year.

The purchasing division posted a request for bids on December 4, 2019 and received three responses by the closing date. Club Car Minnesota submitted the lowest of the three bids. Club Car Minnesota offers municipal financing through De Lage Landen Public Finance, LLC.

Vendor	Base Bid (Annual Payment)
Club Car Minnesota	\$81,988.56
TCF Financial	\$85,219.92
Yamaha	\$88,060.20

