

Mayor and Council Communication

DATE: 09/22/20

M&C FILE NUMBER: M&C 20-0695

LOG NAME: 13P20-0181 GOLF CARTS AR PARD

SUBJECT

(CD 3 and CD 4) Authorize Agreements with TCF National Bank for a 60-Month Lease Term for 188 Golf Carts in an Amount Up to \$550,000.00, and Textron, Inc. d/b/a E-Z-GO for Warranty, Maintenance, and Repair Services of the Same in an Amount Up to \$225,000.00 for the Park and Recreation Department

RECOMMENDATION:

It is recommended that the City Council authorize:

- (1) An agreement with TCF National Bank for a 60-month lease term for 188 golf carts in an amount up to \$550,000.00, with an option to purchase at the end of the term; and
 - (2) An agreement with Textron, Inc. d/b/a E-Z-GO for warranty, maintenance, and repair services of the 188 golf carts in an amount up to \$225,000.00 for the Park and Recreation Department.
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DISCUSSION:

The Park and Recreation Department approached the Purchasing Division to procure an annual agreement for golf cart leasing, maintenance, and repairs. The 188 golf carts will be rented to patrons and utilized by golf course staff at the Pecan Valley and Meadowbrook Golf Courses. In order to procure these services, Purchasing issued a Request for Proposal (RFP) consisting of detailed specifications including the requirements of leasing, maintenance and repair services, add-ons, functionality, and features for the golf carts.

ADVERTISING - This RFP was advertised in the *Fort Worth Star-Telegram* on July 22, 2020, July 29, 2020 and August 5, 2020. The City received two bids.

Yamaha Golf Car Company was deemed nonresponsive to the specifications by Purchasing Division due to them submitting an incomplete bid response.

Bids were evaluated on best value criteria including leasing terms, warranty, experience, delivery, adding value for available cart options, maintenance service, and total cost. Staff from the Park and Recreation and Financial Management Services Departments evaluated the proposals submitted.

Textron, Inc. d/b/a E-Z-GO ("Textron") submitted a bid that included a 60-month lease term to be financed through TCF National Bank ("TCF") at a rate of 3.75%, which was the lowest rate received in the RFP. As part of the proposal, Textron would sell the golf carts to TCF, who would then enter into an agreement with the City to lease the golf carts for the above-stated term in the amount up to \$550,000.00 (\$110,000.00 annually). The City would enter into a separate agreement with Textron for warranty services and annual maintenance and repairs (not included in the warranty) in the amount up to \$225,000.00 (\$45,000.00 annually) for the term of the lease. Staff recommends entering into agreements with Textron and TCF for a 60-month lease term.

An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

A waiver of the goal for MBE/SBE subcontracting requirements was requested by the Purchasing Division and approved by the M/WBE Office, in accordance with the BDE Ordinance, because the purchase of goods or services is from sources where subcontracting or supplier opportunities are negligible.

Upon City Council approval, the contract shall begin on execution and end 60 months from execution date.

Pecan Valley Golf Course is located in COUNCIL DISTRICT 3 and Meadowbrook Golf Course is located in COUNCIL DISTRICT 4.

A Form 1295 is not required because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity: E-Z-GO Division of Textron, Inc

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and adoption of the Fiscal Year 2021 Budget by the City Council, funds will be available in the Fiscal Year 2021 operating budget, as appropriated, in the Municipal Golf Fund. Prior to an expenditure being incurred, the Park & Recreation Department has the responsibility to validate the availability of funds.

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