

## M E M O R A N D U M

**TO:** Indra Winquest  
District General Manager

**FROM:** Darren Howard  
Director of Golf & Community Services

**SUBJECT:** Review, discuss and provide guidance on Golf Cart Capital Improvement Project #3141LV1898 Championship Golf Carts for 2021/2022

**DATE:** July 6, 2021

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### **I. SUMMARY**

This memorandum serves to advise the Board of Trustees that Staff is preparing to re-initiate the procurement process for replacement of the Championship Course Golf Cart fleet, to be funded through planned carry-over of budget appropriations approved for this purpose as part of the FY2020/21 budget.

While the replacement of the golf carts serving the Championship Golf Course was deferred by the Board of Trustees last fall, Staff is preparing to proceed with this project this fiscal year, and due to the extended lead time for delivery of product in time for the 2022 golf season, Staff anticipates coming to the Board in late summer/early fall with the results of the bid solicitation and procurement process. At the same time, Staff will be recommending deferral of the replacement of two Bar Carts (also budgeted for replacement in FY2019/20) due to the fact that - as a result of COVID protocols implemented for the 2020 season - these carts were not placed into service and thus are anticipated to remain serviceable through the 2022 golf season.

In addition to providing notice to the Board, this memorandum also provides information on estimated costs associated with refurbishing the Championship Course golf cart fleet required to extend their useful life through the current 2021 golf season.

### **II. BACKGROUND**

The Championship Golf Cart Fleet (CIP#3141LV1898) was originally scheduled for replacement in FY2020/2021, with an approved budget of \$378,000. At their meeting of November 12, 2020, the Board of Trustees chose to defer this project

meeting of November 12, 2020, the Board of Trustees chose to defer this project to the 2021/2022 fiscal year and, in so doing, directed Fleet Maintenance staff refurbish the cart fleet, as needed, in order to allow for their continued use through the current 2021 golf season.

In addition, replacement of three Beverage Carts (including two Beverage Carts (CIP#3142LE1741 & #3142LE1742) at the Championship Course and one Beverage Cart (CIP#3242LE1726) at the Mountain Course) were similarly deferred.

After review of the utilization of the golf cart fleet as well as costs associated to maintain availability of the carts through the 2021 golf season, Staff is recommending proceeding with the solicitation of bids to replace the Championship Course Golf cart fleet this fiscal year, while deferring the replacement of the three Beverage Carts for one additional year.

The following provides background information informing the Staff recommendation:

- Due to the 2020 COVID-19 restrictions for riders allowing only 1 person per cart (unless they are family members that arrive together), the carts effectively experienced almost 2 operating seasons worth of use over the course of the 2020 golf season.
- The current carts have experienced battery issues due to heavier than normal play and below is a table that shows the projected expenses:

Description of items	Expended To-date	On Order / Anticipated Charges	Total
Parts (Batteries, Seats, Windshields, GPS screens etc.)	\$6,567.02	\$13,000 to \$16,000	\$19,567 to \$22,567
Labor – IVGID Fleet (incl. contract labor of \$4,880)	\$36,072.86	\$15,000 to \$17,000	\$49,367 to \$51,367
Total	\$42,639.88	\$28,000 to \$33,000	\$70,639 to \$75,639

- Last year, trade-in was valued at approximately \$1,900 per cart and Staff has been told by the golf cart companies we can anticipate the trade-in value to remain in this range for one more year due to used fleets currently being in higher demand. Trade-in values are expected to fall significantly beyond one year.

- As discussed last fall, funds being expended to keep the current golf cart fleet running will not enhance the value at the time of trade-in.
- The current fleet will be 5 years old at the end of the 2021 season and the product we would be putting out for next season would not be up to traditional IVGID standards.
- Batteries are currently in scarce supply, resulting in increased down time for carts requiring new batteries.
- Staff would also note that all golf cart companies are quoting 6 to 8 months lead time for new golf cart deliveries, necessitating accelerating the planned procurement process.
- Fleet is currently short-staffed and challenged with the availability of the number of labor hours required for maintenance and repairs on the carts, which also negatively impacts down-time across the fleet.

### **III. CONCLUSION**

Staff is bringing this issue to the Board's attention prior to initiating the procurement process for replacement of the Championship Course Golf Cart Fleet through preparation of a Request for Proposal. Due to the extended lead time, Staff cannot wait until October as is usually the case with changing out golf cart fleets.

Staff does not feel it we would be fiscally responsible to continue to maintain the current fleet of golf carts serving the Championship Course beyond the 2021 golf season. Consideration of purchasing versus leasing of replacement carts will be evaluated as part of the procurement process, with a recommendation to the Board expected in early fall.

Lastly, Staff advises that since we did not use any beverage carts during the 2020 golf season, the potential is there to keep them at least one more season without significantly impacting operations or service.