



City of Mesquite, Texas

Legislation Text

File #: 23-6464, **Version:** 1

Bid No. 2023-052 - Lease Agreement for Golf Carts and Golf Maintenance Equipment.

(Authorize the City Manager to finalize and execute a contract and any required documents with Textron, Inc., dba E-Z-GO, through BuyBoard Contract No. 611-20, in an amount not to exceed \$544,355.04. The term of the contract is for a four-year period.)

Name of Department

Parks and Recreation

Project/Budgeted Amount

\$544,355.04

Sum of Bid/Bid Amount

\$544,355.04

The City of Mesquite utilizes a 48-month equipment leasing program to acquire golf carts for use at the golf course. Due to high use and depreciation of the equipment, this is an industry standard and typically the term renews every four years. The last fair market value lease program was executed in 2019. The City also utilizes a cart maintenance program to ensure the highest value is obtained for the fleet at lease renewal time.

The proposed new 48-month lease agreement is for seventy-two (72) golf carts, two (2) utility units to assist with course maintenance, one (1) hauler for the driving range and one (1) beverage cart to serve golfers on the course. Due to post pandemic supply chain issues, delivery of the carts is delayed and anticipated to arrive in late summer or early fall.

The lease is made available through Textron, Inc., dba E-Z-GO, through the BuyBoard Contract No. 611-20. From the last agreement in 2019, there is a cost escalation of 74 percent. The lease amount per month increased from \$6,503.08 to \$11,340.73. The vendor states this is standard in the industry and a result of the rising cost of doing business and increased interest rates. Payments are budgeted in the Golf Course operating budget and are offset by golf cart fees. An increase in fees will be considered to recover lost revenue from the added expense.

Recommended/Desired Action

Staff recommends the City Manager be authorized to finalize and execute a contract with Textron, Inc., dba E-Z-GO.

Attachment(s)

Lease Proposal

Drafter

Elizabeth Harrell

Head of Department

Elizabeth Harrell