



GOLF CART LEASE FOR  
STONETREE GOLF CLUB

RS-22-073

June 7, 2022

# Background

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- ❑ Golf carts are utilized in more than 35,000 rounds per year and 50 tournaments annually. Stonetree Golf Course generates in excess of \$300,000 annually in revenue due to cart rentals

# Background

- ❑ Due to the high amount of usage placed on these golf carts, they are subject to maintenance issues as the age of the carts increase. The proposed equipment lease is meant to replace the current golf cart fleet that is just over five (5) years old
- ❑ Indigo Golf Partners recommends the replacement of the golf cart fleet in use. Indigo Golf Partners recommends the replacement of the fleet every 4-5 years to ensure that working golf carts are consistently available for SGC patrons

# Current Cart Lease

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- ❑ Stonetree's current lease is 5 years old, and the fleet is deteriorating quickly. The current lease payment is \$3,780.00 per month for a total cost of \$180,928 paid over the course of the lease
  - ❑ The current fleet includes sixty-five (65) carts



# Bid details

- ❑ The City of Killeen Recreation Services (RS) began the process of soliciting bids for seventy-five (75) golf carts through bid #22-18
- ❑ Bid #22-18 was advertised on March 20, 2022 and March 27, 2022 and followed the Texas Local Government Code and the City's Financial Management Policy

# Background

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- ❑ Recreation Services received responses from two companies on April 19, 2022
  - ❑ E-Z-GO Division of Textron Inc.
  - ❑ Club Car, LLC
- ❑ Recreation Services along with Purchasing evaluated each bid's conformance with the bid information and instructions
- ❑ Staff recommends E-Z-Go

# Proposed Lease

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- ❑ RS is seeking to enter a new lease with EZ-Go Cushman financed through Huntington National Bank for a sixty (60) month lease
- ❑ Seventy-five (75) RXV ELiTE lithium powered golf carts
  - ❑ The golf carts will give guests access to modern, up-to-date fleet that is covered under warranty
- ❑ Total cost of the lease is \$193,410.00
  - ❑ \$3,223.50/month



# Alternatives

- The City Council has two (2) alternatives:
  - ▣ Option 1 – Decline the bid and find an alternative option for golf carts
  - ▣ Option 2 – Approve the bid submittal and enter into the agreement with EZ-Go Cushman financed through Huntington National Bank



# Recommendation

- Recreation Services staff recommends City Council award Bid 22-18, Golf Cart Lease, to E-Z-Go authorizing a (60) month lease agreement with Huntington National Bank for (75) golf carts for Stonetree Golf Club in the amount of \$193,410.00 and that the City Manager or designee be authorized to execute any change orders as permitted by state and local law.