



# Memo

**To:** Board of Directors  
**From:** Robert McLeod, Board Director Golf Committee  
**Date:** March 16, 2022  
**Re:** Motion - Approve 2023 Golf Cart Lease

## Motion

I move to authorize the General Manager to execute a 60-month lease agreement beginning March 2023 with Club Car for 120 carts.

## Background

The leases for the golf cart fleets at Granada and Coronado Courses end March 2023. Staff bid these 2 fleets early in 2022 due to the lack of availability and supply chain issues in the golf cart industry. The carts will still be delivered 2023. Granada is replacing 75 carts and Coronado is replacing 45 carts, a total of 120 carts. Three companies bid, with purchase and lease options. The Golf Department recommends accepting the Club Car lease bid for 120 Club Car golf carts. This bid is the lowest of the three bids.

<u>Vendor</u>	<u>Cost</u>
<b>Club Car</b>	<b>\$353,952.00</b>
Ben Nelson	\$443,952.00
Yamaha	\$363,600.00

**Budget (2023): Total \$720,000; G200 \$450,000, G350 \$370,000**



**BOARD AGENDA FACT SHEET**  
**AUTHORIZATION FOR MAJOR EXPENDITURES**

**PROJECT NAME:** Golf Cart Leases - 2023

**DEPARTMENT:** G200 / G350 **REQUESTED BOARD DATE:** 3/16/2022

**REQUESTED ACTION**

Board Approval  Discussion/Presentation  Other (Specify

**PROJECT/CAPITAL SUMMARY**

60-month lease agreement to begin in March 2023 for 120 golf carts - 75 carts for Granada and 45 carts for Coronado

**JUSTIFICATION**

Club Car had the lowest lease bid out of all three bids received. After analysis of lease compared to purchase, leasing the carts offers a cost savings over purchasing totaling over \$1.8M.

**BID INFORMATION**

<b>BID</b> <i>(recommended bid in bold)</i>	<b>Base Price</b>	<b>Freight</b>	<b>Sales Tax</b>	<b>Grand Total</b>
<b>Club Car</b>	5899.20 monthly		-	\$ 353,952.00
Ben Nelson	7399.20 monthly		-	\$ 443,952.00
Yamaha	6060.00 monthly		\$ -	363,600.00

**BUDGET DETAILS**

<b>ITEM</b>	<b>COST</b>	<b>BUDGETED</b>	<b>UNBUDGETED</b>	<b>NOTES</b>
120 Golf Carts	\$ 353,952	\$ 720,000	\$ (366,048)	
	\$ 353,952	\$ 720,000	\$ (366,048)	\$ -

**NOTES**

**Responsible Director** Tom Heffer, Director of Golf

**Project Manager** Tom Heffer, Director of Golf

RFQ# 49734-22

WIP#

EXPENSE#

JOB#

PO#

**PROJECT NAME**  
GOLF CARTS

**DEPARTMENT**  
G100

VENDOR W/ FULL SPECIFICATIONS	NOTES	BID DATE	BID DUE	MONTHLY LEASE	TAX	FREIGHT	TOTAL	LEAD TIME	SELECTION
CLUB CAR	LEASE OPTION FOR 60 MTHS	2/3/2022	2/16/2022	\$5,899.20			\$353,952.00		X
BEN NELSON	LEASE OPTION FOR 60 MTHS	2/3/2022	2/16/2022	\$7,399.20			\$443,952.00		
YAMAHA	LEASE OPTION FOR 60 MTHS	2/3/2022	2/16/2022	\$6,060.00			\$363,600.00		
BUDGET AMOUNT	NO BUDGET FOR 2022								
TRADE IN	AMOUNT	HOURS	MILEAGE						

ORIGINATOR	Tom Heffer <i>TH</i>	JUSTIFICATION OF PROJECT / SERVICE : PLEASE SEE THE SEPARATE WORKSHEET
DIRECTOR	Tom Heffer <i>TH</i>	
GENERAL MANAGER	Kelly Hale	
CONTROLLER	Coreena Fetterhoff	
RELEASE FOR PO	_____	
DATE:	_____	Estimated Completion Date of Expenditure: <u>3/2023</u>



895 DeSoto Blvd Hot Springs Village, AR 71909

STEP

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RFQ/CAPITAL PERMISSION FORM (PROCUREMENT/\$5,000 OR MORE)

RFQ: OPERATIONAL [ ] CAPITAL [x]

OPERATIONAL:

- \$5K - \$9,999 NON-CAPITAL: ATTACH 3 WRITTEN QUOTES WITH INVOICE/PA
\$10,000 AND OVER- COMPLETE STEPS 1 -3 (FORMAL BID PROCESS)

CAPITAL:

- \$5K - \$9,999 COMPLETE STEPS1 & ATTACH 3 WRITTEN QUOTES WITH INVOICE/PA
\$10,000 AND OVER- COMPLETE STEPS 1 - 3 (FORMAL BID PROCESS)

Department: G200 + G350

Originator & Phone: Tom Heffer

(501)922-5540

Trade In: N/A

Trade In Asset ID #:

Ship / Deliver to Address: 250 MADERAS DR AND 199 SUCTIDOR WAY

Lead Time: MARCH 1, 2023 OR SOONER

Budget Spread Schedule:

Budget Amount: \$450,000 G200 \$270,000 G350 TOTAL - \$720,000

Justification for RFQ: LEASE RUNS OUT IN MARCH 2023 FOR CALLS AT GRANADA & CORINADO.

Bid Due:

Board Approval Needed: YES [x] NO

Specifications/ Scope of Work Definition (Use separate extra page 3 if necessary)

ATTACHED

Originator Tom Heffer

Director up to \$5,000 [Signature]

Controller- Approval to Bid [Signature]

Purchasing RFQ # 49734-22

WIP#

Cart Lease Vs. Purchase		
	Year	Total Cost/Year
<b>Lease</b>		
	2023	\$274,233.96
Lease with cost increase of 5%	2024	\$362,275.57
Lease with cost increase of 5%	2025	\$380,389.34
Lease with cost increase of 5%	2026	\$399,408.80
Lease with cost increase of 5%	2027	\$419,379.24
Total Cost Lease	Total	\$1,906,477.31
<b>Purchase</b>		
	2023	\$546,000.00
Purchase with cost increase of 5%	2024	\$716,625.00
Purchase with cost increase of 5%	2025	\$526,718.85
Purchase with cost increase of 5%	2026	\$395,038.50
Purchase with cost increase of 5%	2027	\$829,579.50
Total Cost Purchase	Total	\$3,013,961.85
<b>Total Cost</b>		
Purchase + remaining lease	2023	\$820,233.96
Purchase + remaining lease	2024	\$914,322.96
Purchase + remaining lease	2025	\$663,278.85
Purchase + remaining lease	2026	\$485,038.50
Purchase + remaining lease	2027	\$829,579.50
Total Cost	Total	\$3,712,453.77



<b>Cart Lease/Purchase 2024</b>						
Granada	2017	2023	0	\$0.00	\$0.00	\$0.00
Coronado	2017	2023	0	\$0.00	\$0.00	\$0.00
Cortez	2018	2024	0	\$0.00	\$0.00	\$0.00
Magellan	2018	2024	0	\$0.00	\$0.00	\$0.00
Isabella	2019	2025	105	\$61,137.96	\$5,094.83	\$48.52
Ponce	2020	2026	75	\$46,560.00	\$3,880.00	\$51.73
Desoto	2021	2027	75	\$45,000.00	\$3,750.00	\$50.00
Balboa	2021	2027	75	\$45,000.00	\$3,750.00	\$50.00
2022 Lease Total			330	\$197,697.96	\$16,474.83	
Purchase	5%	\$4,777.50	150	\$716,625.00		
Total 2024				\$914,322.96		

<b>Cart Lease/Purchase 2025</b>							
Course	Lease start Date	End lease Date	# of Carts	Lease amount/year	Lease per month	Cart per month	Purchase
Granada	2017	2023	0	\$0.00	\$0.00	\$0.00	\$341,250.00
Coronado	2017	2023	0	\$0.00	\$0.00	\$0.00	\$204,750.00
Cortez	2018	2024	0	\$0.00	\$0.00	\$0.00	\$365,100.00
Magellan	2018	2024	0	\$0.00	\$0.00	\$0.00	\$365,100.00
Isabella	2019	2025	0	\$0.00	\$0.00	\$0.00	\$546,840.00
Ponce	2020	2026	75	\$46,560.00	\$3,880.00	\$51.73	
Desoto	2021	2027	75	\$45,000.00	\$3,750.00	\$50.00	
Balboa	2021	2027	75	\$45,000.00	\$3,750.00	\$50.00	
<b>2024 Lease Total</b>			225	\$136,560.00	\$11,380.00		
Purchase	5%	\$5,016.37	105	\$526,718.85			
<b>Total 2025</b>				\$663,278.85			



<b>Cart Lease/Purchase 2026</b>							
Course	Lease start Date	End lease Date	# of Carts	Lease amount/yea	Lease per month	Cart per month	Purchase
Granada	2017	2023	0	\$0.00	\$0.00	\$0.00	\$341,250.00
Coronado	2017	2023	0	\$0.00	\$0.00	\$0.00	\$204,750.00
Cortez	2018	2024	0	\$0.00	\$0.00	\$0.00	\$365,100.00
Magellan	2018	2024	0	\$0.00	\$0.00	\$0.00	\$365,100.00
Isabella	2019	2025	0	\$0.00	\$0.00	\$0.00	\$546,840.00
Ponce	2020	2026	0	\$0.00	\$0.00	\$0.00	\$410,100.00
Desoto	2021	2027	75	\$45,000.00	\$3,750.00	\$50.00	
Balboa	2021	2027	75	\$45,000.00	\$3,750.00	\$50.00	
2024 Lease Total			150	\$90,000.00	\$7,500.00		
Purchase	5%	\$5,267.18	75	\$395,038.50			
Total 2025				\$485,038.50			

<b>Cart Lease/Purchase 2027</b>							
Course	Lease start Date	end lease Date	# of Carts	lease amount/year	lease per month	cart per month	Purchase
Granada	2017	2023	0	\$0.00	\$0.00	\$0.00	\$341,250.00
Coronado	2017	2023	0	\$0.00	\$0.00	\$0.00	\$204,750.00
Cortez	2018	2024	0	\$0.00	\$0.00	\$0.00	\$365,100.00
Magellan	2018	2024	0	\$0.00	\$0.00	\$0.00	\$365,100.00
Isabella	2019	2025	0	\$0.00	\$0.00	\$0.00	\$546,840.00
Ponce	2020	2026	0	\$0.00	\$0.00	\$0.00	\$410,100.00
Desoto	2021	2027	0	\$0.00	\$0.00	\$0.00	\$430,575.00
Balboa	2021	2027	0	\$0.00	\$0.00	\$0.00	\$430,575.00
2024 Lease Total			0	\$0.00	\$0.00		\$3,094,290.00
Purchase	5%	\$5,530.53	150	\$829,579.50			
Total 2025				\$829,579.50			