

Condensed Title:

Request For Approval To Award A Contract To E-Z-GO Division Of Textron Inc., Pursuant To Invitation To Bid No. 02-11/12, For The Lease Of Golf Carts And Other Miscellaneous Golf Equipment /Vehicles, For The Normandy Shores Golf Club, In The Amount Of \$226,669.32, For A Period Of Thirty-Six (36) Months, With Monthly Installments Of \$6,296.37; And The Miami Beach Golf Club, In The Total Amount Of \$257,559.84, For A Period Of Thirty-Six (36) Months, With Monthly Installments Of \$7,154.44.

Key Intended Outcome Supported:

Increase Satisfaction with Recreational Programs

Supporting Data (Surveys, Environmental Scan, etc.):

Parks and Recreation appeared as one of the most important areas affecting resident's quality of life. Of the 79% of residents and 82% of businesses rated the overall quality of the recreational programs and facilities as excellent or good and 58% of residents stated that they go to recreational facilities a couple of times a month or more. More recreational opportunities appeared as one of the changes residents would make to make Miami Beach a better place to live, work, and play.

Issue:

Shall the Mayor and City Commission approve award of contract and execute of a lease agreement?

Item Summary/Recommendation:

The purpose of this bid is to establish a Lease Agreement, by means of sealed bids, to a qualified contractor for the lease of seventy-five (75) Golf Carts at the Miami Beach Golf Course, and seventy-two (72) Golf Carts at Normandy Shores Golf Course, and other miscellaneous Golf Equipment/vehicles for a period of thirty-six (36) months, with two (2) separate deliveries, for the Parks and Recreation Department.

The Bid was issued on October 10, 2011 with an opening date of November 9, 2011. Bidnet issued bid notices to five (5) prospective bidders; RFP Depot issued bid notices to seven (7) prospective bidders. Additionally, Procurement Division sent bid notices to five (5) prospective bidders. The notices resulted in the receipt of one bid, from E-Z-GO Division of Textron Inc.

The sole bid was received from E-Z-GO Division of Textron Inc., who has been the sole cart provider via competitive bid process since the opening of Miami Beach Golf Club in December 2002 and the Normandy Shores Golf Club in December 2008. Textron Financial has never charged the City for tangible personal property tax under the previous agreement, and they specialize in working with local government agencies.

References provided by E-Z-GO Division of Textron Inc were checked by Parks & Recreation and PCM (Professional Course Management) staff, as well as Procurement staff and found to be very positive.

APPROVE THE AWARD OF CONTRACT

Advisory Board Recommendation:

Financial Information:

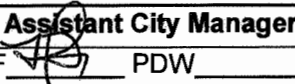
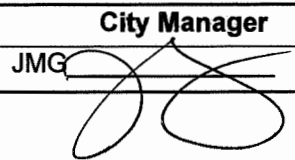
Source of Funds:		Amount	Account
OBPI	1	\$226,669.32	Funding is available from the FY 11/12 General Fund Normandy Shore Golf Club account no. 011-0975-000323, and will be included in the annual budget development process in future years.
	2	257,559.84	Funding is available from the FY 11/12 General Fund Miami Beach Golf Club account no. 011-0970-000323, and will be included in the annual budget development process in future years.
	Total	\$484,229.16	Lease for three (3) years

Financial Impact Summary:

City Clerk's Office Legislative Tracking:

Kevin Smith, Parks and Recreation Director @ 6643

Sign-Offs:

Department Director		Assistant City Manager	City Manager
GL	KS	HF 	JMG 

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MIAMIBEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: December 14, 2011

SUBJECT: **REQUEST FOR APPROVAL TO AWARD A CONTRACT TO E-Z-GO DIVISION OF TEXTRON INC., PURSUANT TO INVITATION TO BID NO. 02-11/12 FOR THE LEASE OF GOLF CARTS AND OTHER MISCELLANEOUS GOLF EQUIPMENT/VEHICLES, FOR THE NORMANDY SHORES GOLF CLUB, IN THE AMOUNT OF \$226,669.32 FOR A PERIOD OF THIRTY-SIX (36) MONTHS, WITH MONTHLY INSTALLMENTS OF \$6,296.37; AND THE MIAMI BEACH GOLF CLUB, IN THE TOTAL AMOUNT OF \$257,559.84 FOR A PERIOD OF THIRTY-SIX (36) MONTHS WITH MONTHLY INSTALLMENTS OF \$7,154.44; AND FURTHER AUTHORIZE THE MAYOR AND CITY CLERK TO EXECUTE A MASTER LEASE AGREEMENT.**

ADMINISTRATION RECOMMENDATION

Approve the award of contracts and execution of a lease agreement.

KEY INTENDED OUTCOME SUPPORTED

Increase Satisfaction with Recreational Programs

BID AMOUNT AND FUNDING

\$ 226,669.32 (36 months)

Funding is available from the FY 2011/2012 General Fund Normandy Shore Golf Club account #011-0975-000323, and will be included in the annual budget development process in future years.

\$ 257,559.84 (36 months)

Funding is available from the FY 2011/2012 General Fund Miami Beach Golf Club account #011-0970-000323, and will be included in the annual budget development process in future years.

ANALYSIS

The purpose of this bid is to establish a Lease Agreement and contract, by means of sealed bids, to a qualified contractor for the Lease of seventy-five (75) Golf Carts at the Miami Beach Golf Course, and seventy-two (72) Golf Carts at Normandy Shores Golf

Course, and other miscellaneous golf equipment/vehicles, for a period of thirty-six (36) months, with two (2) separate deliveries, for the Parks and Recreation Department. Golf carts are essential at all 18-holes golf courses, and are an integral service component at the Normandy Shores and Miami Beach Golf Clubs. Residents, tourists and day guests expect golf carts to be available and that they operate in top working condition. Golfers utilize a golf cart when playing at both City of Miami Beach golf clubs in order to move play at a reasonable rate thereby maximizing the quality playing experience expected by the golfers.

Each cart will include the following features:

- A. Top (Sun Canopy)
- B. Battery Charger
- C. Scuff Plates
- D. Sweater Basket
- E. Two (2) Sand Boxes with a self closing lid
- F. Vinyl Roll Down Golf Club Rain Cover
- G. Message Holder
- H. Club Logo and Number Decals
- I. Heavy Duty Batteries (6)
- J. Silver spoke wheel covers
- K. Accent Stripes
- L. Bunker Rake with holder
- M. Windshield Fold down (Top Required)
- N. Links Type Tire
- O. Key Switch: Custom

The golf carts/equipment/vehicles shall be delivered within thirty (30) calendar days, after receipt of the purchase order. If the contractor fails to deliver within the specified delivery time, it is understood that \$25 dollars per calendar day/ per unit will be deducted from the first month's lease payment as liquidated damages for each day beyond the specified delivery time.

BID PROCESS:

The Bid was issued on October 10, 2011 with an opening date of November 9, 2011. Bidnet issued bid notices to five (5) prospective bidders; RFP Depot issued bid notices to seven (7) prospective bidders. Additionally, the Procurement Division sent the bid notices to five (5) prospective bidders. The notices resulted in the receipt of one bid from E-Z-GO Division of Textron Inc.,

The Procurement Division sent out a survey to those companies that opted not to bid and the following responses were received (number in parenthesis indicates number of companies that responded):

- Our company is simply not interested due to specification/scope of services (2)
- Due to insurance requirement on carts (1); and
- We were not able to secure business in the past with the city of Miami Beach because the City was unwilling to execute lease documents from our primary lender due to concerns about language in the lease document. (1)

The sole bid was received from E-Z-GO Division of Textron Inc., who has been the sole cart provider via competitive bid process since the opening of Miami Beach Golf Club in December 2002 and the Normandy Shores Golf Club in December 2008. Textron Financial has not charged the City for tangible personal property tax under the previous agreements, and they specialize in working with local government agencies.

WARRANTY :

The successful contractor shall include a full/complete manufacturer's guarantee on **ALL** parts, labor and materials necessary to maintain the fleet in complete operation. These costs are included in the contractor lease price. Contractor shall be responsible for any/all pickup, delivery, and transportation charges should a golf cart(s) require replacement and/or maintenance that must be provided at a location other than the City's designated facility. Any cart(s) which must be removed from the City's designated facility/premises for service, in excess of twenty-four (24) hours, shall be replaced with another similar golf cart within forty eight (48) hours. Batteries shall be replaced in carts after they cease to perform thirty (36) holes per charge under normal circumstances, at no additional cost to the City.

ACCEPTANCE:

The unit(s) will be inspected and accepted by the Parks and Recreation Department, as indicated on the purchase order. Unit(s) must be in conformance with the specifications and that the engineering materials and workmanship exhibit a level of quality and appearance consistent with or exceeding industry standards.

It will be the responsibility of the contractor to pick up any unit(s) found unacceptable. After notification, the contractor will have five (5) days to respond and make the necessary arrangement to pick up unit(s), and to re-deliver same in five (5) days after date of pick up.

Units not in compliance with bid specifications are not eligible for, or considered delivered until corrections have been accomplished and in compliance.

At the time of delivery, the contractor will be required to produce the following documents:

- A. Warranty certifications (including rust proofing warranty when applicable)
- B. Owner Manual
- C. All Shop Repair Manuals and Parts Lists called for in specifications.
- D. Golf Cart/Equipment/Vehicle data sheet

All documents mentioned above are to be delivered or hand carried to the City of Miami Beach or other named agency as may appear on the purchase order. The golf carts/equipment/vehicles shall be carefully inspected by the vendor to make sure that it is complete in detail and all components and accessories called for are in accord with these specifications.

Golf carts shall be covered under a (36) month warranty, while all other utility vehicles shall be covered by a (24) month warranty, with the exception of abuse, damage or vandalism. E-Z-GO Division of Textron Inc., guarantees that the golf carts will operate for 36 holes without recharging, assuming proper battery water levels are maintained by the Golf Clubs management staff.

The City of Miami Beach will be responsible for monthly lease payments equaling \$6,296.37 for a total period of thirty-six (36) months, to provide seventy-two (72) each TXT48 electric golf carts; one (1) each gasoline beverage cart; one (1) each electric flat bed cart; one (1) electric ranger cart with light kit and safety windshield window; and one (1) gasoline range cart "caged" flatbed for the Normandy Shores Golf Club. In addition, this lease will include carts for the Miami Beach Golf Club, at a monthly payment of \$7,154.44 for a period of thirty-six (36) months, to provide seventy-five (75) each TXT 48 electric golf carts; two (2) each gasoline beverage carts; two (2) each electric flat bed carts; one (1) electric ranger cart with light kit and safety windshield window; and two (2) gasoline range carts.

COST EVALUATION

The City currently has a three (3) year lease with E-Z-GO for the same number of golf carts and miscellaneous equipment (156 pieces) as was included in the new bid. The following is a cost summary of the current lease and the new bid response:

	2008	2011
Miami Beach Golf Club	\$237,850.20	\$257,559.84
Normandy Shores Golf Club	<u>\$209,330.28</u>	<u>\$226,669.32</u>
	\$447,180.48	\$484,229.19

The increase of the new bid vs. the currently approved agreement for the golf carts and miscellaneous equipment is \$37,048.68 over the 3 year agreement or approximately \$12,225 per year. This represents an 8.25% increase over the agreement approved 3 years ago. When further evaluated this represents an increase of approximately \$0.21 per day per leased vehicle.

The increase is related to multiple factors. Primarily the increase is related to changes, enhancements and improvement in the TXT48 vs. the TXTPDS in 2008:

- TXT48 is powered by 6/8 volt batteries vs the 6/6 volt batteries in the TXTPDS.
- TXT48 has an improved controller with Tru-Corse Technology allowing the City to program the vehicles to desired speed, acceleration and braking specifications.
- TXT48 has a larger, more energy efficient motor.

All of these factors contribute to the higher cost to manufacture the end product.

CONCLUSION

Based on the analysis of the bids received, the Administration recommends that the Mayor and City Commission accept the City Manager's recommendation to award a contract to E-Z-GO Division Textron, Inc., for the Normandy Shores Golf Club, in the amount of \$226,669.32 for a period of thirty-six (36) months, with monthly installments of \$6,296.37; and the Miami Beach Golf Club, in the total amount of \$257,559.84 for a period of thirty-six (36) months with monthly installments of \$7,154.44; and further authorize the Mayor and City Clerk to execute a master lease agreement.

BID TABULATION

Tabulation Sheet attached

E-Z-GO DIVISION OF TEXTRON INC. (NORMANDY SHORE GOLF COURSE)

Item	Description	MFG.	Model No.	Qty	Vendor List Price	Unit Price	Total	OEM Service Part List Percent Discount
1	2012 Electric Golf Carts E-Z-Go Model TXT, Electric, all Terrain or equal	E-Z-GO	TXT 48	72	N/A	\$ 77.69	\$ 5,593.68	40%
2	2012 Gasoline Beverage Carts E-Z-GO 1200 Refresher 4 wheel gasoline or equal	Cushman	Refresher 1200	1	N/A	\$ 325.00	\$ 325.00	40%
3	2012 Electric flat bed carts or equal	Cushman	Hauler 800E	1	N/A	\$ 35.00	\$ 135.00	40%
4	2012 Electric ranger cart with light kit safety windshield window	E-Z-GO	TXT Freedom	1	N/A	\$ 77.69	\$ 77.69	40%
5	2012 Gasoline Range Cart or equal 1 caged flatbed	Cushman	Hauler 800 G	1	N/A	\$ 65.00	\$ 165.00	40%
6	ALTERNATE OR EQUAL Items 1 thru-5	E-Z-GO	RXVE	72	N/A	\$ 86.84	\$ 6,252.48	40%
Grand Total for monthly Lease Payment Items 1-5				36	per month	\$ 6,296.37	\$ 226,669.32	
Alternate Monthly Lease Payment Items 2-6				36	per month	\$ 6,955.170	\$ 250,386.12	

E-Z-GO DIVISION OF TEXTRON INC. (MIAMI BEACH GOLF CLUB)

Item	Description	MFG.	Model No.	Qty	Vendor List Price	Monthly price	Months	OEM Service Part List Percent Discount
7	2012 Electric Golf Carts E-Z-GO model # TXT electric all terrain	E-Z-GO	TXT48	75	N/A	\$ 77.69	\$ 5,826.75	40%
8	2012 Gasoline Beverage Carts E-Z-GO 1200 refresher 4 wheel gasoline or equal	Cushman	Refresher 1200	2	N/A	\$ 325.00	\$ 650.00	40%
9	2012 Electric Flat Bed Carts or equal	Cushman	Hauler 800E	2	N/A	\$ 135.00	\$ 270.00	40%
10	2012 Gasoline Range Cart with light kit and safety windshield window	E-Z-GO	Txt48 Freedom	1	N/A	\$ 77.69	\$ 77.69	40%
11	2012 gasoline range cart or equal one caged flatbed and one with top flatbed	Cushman	Hauler 800 G	2	N/A	\$ 165.00	\$ 330.00	40%
12	ALTERNATE OR EQUAL ITEM 7-10	E-Z-GO	RXVE	75	N/A	\$ 86.84	\$ 6,513.00	40%
Grand Total for Monthly Lease Payment Items 7 thru11				36	per month	\$ 7,154.44	\$ 257,559.84	
Grand Total for Monthly Lease Payment Items 8 thru12				36	per month	\$ 7,840.69	\$ 282,264.84	

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