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Palmer City Council Meeting

Meeting Date: 05/13/2024
Submitted For: Brad Hanson, Community Development Director
Department: Community Development
Agenda Category: Consent Agenda
Legislation Number: AM 24-024 **Approved**

Subject

Action Memorandum No. 24-024: Authorizing the City Manager to Purchase, Under the Governmental and Proprietary Procurements Section of Palmer Municipal Code 3.21.230, 50 Used Golf Carts from Moose Run Golf Course Not to Exceed \$125,000

Summary Statement/Background

Palmer City Council approved \$140,000.00 for the purchase of golf carts for the Palmer Golf Course (PGC). This is an opportunity to significantly upgrade the fleet. Currently, the PGC has about 50 running carts, comprised of 29 Club Cars, 2002 and 2007 models, and 21 Yamahas, 2009 and 2010 models.

Moose Run Golf Course, a federally owned golf course, is purchasing a new fleet and has agreed to sell 50 used 2016 Club Cars to PGC for \$2500 each. The PGC fleet's age and condition are becoming an issue for reliability and maintenance expenses. The cost of new carts is approximately \$8000 each, \$400,000 for an equivalent fleet of 50. The expected lead time is two to three years for delivery of new carts. The carts from Moose Run are expected to begin arriving in late May.

Under the contract for professional services agreement with Eagle Golf, the city of Palmer receives all revenue from cart rentals. The inability to provide reliable carts for tournaments and daily rentals is hurting the city's ability to generate revenue.

Palmer Municipal Code 3.21.230 allows for the purchase of goods and services from governmental sources without being competitively bid.

Administration's Recommendation:

Approve Action Memorandum 24-024 authorizing the City Manager to Purchase, Under the Governmental and Proprietary Procurements Section of Palmer Municipal Code 3.21.230, 50 Used Golf Carts.

Fiscal Impact

Total Amount of funds listed in this legislation: \$125,000
Legislation creates expenditure in the amount of: \$125,000
Budgeted Y/N?: Y
Line Item(s): 15-01-10-6200

Attachments

Golf Cart Invoice



Invoice

Moose Run Golf Course

Date: 3-May-23

Invoice #: No.1

Customer ID: Palmer

To: City of Palmer- Palmer Golf Course

Date	Program	Payment Terms	Due Date
03-05-23	Golf Cars	Due upon receipt	Delivery

Qty	Description	Unit Price	Line Total
50.00	2016 Club Car- Golf Car	\$ 2,500.00	\$ 125,000.00
			0.00
		Subtotal Sales Tax	\$ 125,000.00
		Total	
			\$ 125,000.00

payable to **Moose Run Golf Course**

Thank you for your business!

We can not sell current fleet until the new fleet arrives. George will get first pick of the golf cars once we are ready to sell.