



Legislation Text

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Ironwood Golf Course Cart Fleet Study (B)

This item requests that the City Commission accept a report from National Golf Foundation and authorize the City Manager to proceed with the bid process for acquisition of a new fleet of golf carts on a 4-year replacement cycle.

As part of a strategic evaluation of the current fleet of electric powered golf carts acquired at intervals for use at the Ironwood golf course, the City of Gainesville retained the services of the National Golf Foundation (NGF) to assist in evaluating the cart fleet operations. The goal was to make the best choice to help with long-term economic sustainability of Ironwood Golf Course.

NGF conducted a review to analyze and compare the benefits of both gas- and electric-powered carts at Ironwood within the scope of the course's overall operations. NGF's evaluation included the following: 1) assessment of Ironwood golf cart operation, including golf facility needs, existing usage patterns and customer preferences; 2) comprehensive financial review of operating a fleet of electric-powered carts vs operating a fleet of gasoline-powered carts. This included the analysis of all revenue, direct expenses and capital needs for each option; 3) comprehensive financial review of leasing a fleet of power carts vs. owning a fleet of power carts. This included the analysis of all revenue, direct expenses and future replacement needs under each option; 4) cross-comparative analysis of all four options (lease gas, lease electric, own gas, own electric).

NGF also conducted an in-person review on site at Ironwood Golf Course, and met with City officials to review and present its findings. The report provides NGF's recommendation for appropriate options, given all financial and operational input.

Currently cart purchases are staggered, with approximately 10 carts purchased per year from Ironwood capital surcharge monies. The NGF review calculated the incremental cost of replacing the entire fleet every four years at approximately \$147 per cart per year. This assumes financing the acquisition through an internal loan from the General Fund. Turning the entire fleet over every four years assures a consistent fleet of newer cars, without the issue of some customers getting a new cart and others getting an old cart as is the case today.

The City Commission: 1) accept the report from National Golf Foundation, and 2) authorize the City Manager to proceed with the bid process for acquisition of a new fleet of golf carts on a 4-year replacement cycle.