

**MEMORANDUM**

To: Mayor and City Council Members  
Steve Parker, City Manager

From: Bruce Allen, Golf Course General Manager

Through: Rick Cortes, Deputy City Manager

Subject: New Golf Cart Lease

Date: March 8, 2022

A few weeks ago, I was informed by our Yamaha sales rep that Yamaha would not be able to deliver the carts we ordered last August because of parts shortages. I visited with Andy about a possible breach of contract. He agreed with me that their failure to deliver in the event of part shortages was covered in the contract and there was no breach of contract. After confirming we had no legal alternatives, I asked Yamaha and EZ-GO for new quotes. (Club Car is so much higher than Yamaha or EZ-GO that I didn't even ask them.) EZ-GO carts will not be available until late 2023 so Yamaha is our only choice. Here is their latest offer. The only difference between this offer and the previous offer is that this fleet has regular 8-volt batteries compared to the sealed 8-volt batteries that we ordered. The conventional batteries will work, but they require a lot more maintenance than the ones we ordered originally. You'll also notice the lease is for 48 months, but it can be ended before then if we so choose. I asked for that option because it would free us up from making cart payments if close the course for renovations. If we do close for a year, we would lease new carts from July of this year until January of 2024. In January of 2024 we would turn the carts back to Yamaha and they would not deliver the next fleet of carts until we reopen after the renovation. (Hopefully in October of 2024.) We would not have to make payments during that time frame. If we end up splitting the project over a two-year time frame the payments on this fleet will be less than what you approved last August and reduce our losses while each nine is closed.