

# THE CITY OF



# OWATONNA

540 West Hills Circle  
Owatonna, MN 55060-4794  
Ph. (507) 444-4300  
FAX: (507) 444-4394

DATE: June 1, 2021  
TO: Mayor and City Council, City Administrator  
FROM: Jenna Tuma Director of Parks and Recreation  
Jesse Wilker, Park Maintenance Manager  
SUBJECT: Golf Cart Maintenance

**Purpose:**

Request approval to renew the Club Car Maintenance Agreement with Club Car LLC. for the monthly regular maintenance services of the leased golf carts used at Brooktree Golf Course.

**Background:**

The City entered into a 63-month lease agreement with Club Cart LLC in 2018 through 2023 for 40 golf carts to be used at Brooktree Golf Course. In addition to the multi-year lease an annual maintenance service agreement is utilized to do regular monthly cart service which includes maintaining proper: tire pressure, fluid levels, lubrication, batteries and inspections of brakes and drive systems. Service is performed monthly from May to the end of October with a per cart cost of \$10 for a total of \$400 per month. Staff believe this is a valuable service to keep carts in operation and minimize down time.

**Budget Impact:**

The agreement saves the course from having “out-of-service” carts which increases opportunities for rental revenue. By having this service, it maximizes staff time to work on other tasks. The monthly fee of \$400 is included in the 2021 Maintenance Operation Budget.

**Staff Recommendation:**

Staff recommends approval of this agreement with Club Car LLC.



## CLUB CAR MAINTENANCE AGREEMENT

This Club Car Maintenance Agreement is dated 5/19/2021 by and between Club Car LLC, PO Box 204658, Augusta Georgia 30917 (“Club Car”) and CITY OF OWATONNA, MN DBA, USA, 540 WEST HILLS CIRCLE, OWATONNA MN 55060 (“Customer”).

**WHEREAS** Customer has entered in a lease agreement with Club Car for the lease and/or rental of certain golf cars described in Exhibit A; and

**WHEREAS** Customer desires Club Car to provide regular maintenance services for the Equipment as detailed herein;

**NOW THEREFORE**, for the consideration set forth herein, the Parties agree as follows:

**1. Compensation.** Customer agrees to pay Club Car the amount indicated in Section 5 below to maintain, as provided below, the Equipment as set forth herein. The price does not include any present or future Federal, State, or local property, license, privilege, sales, use, excise, gross receipts or other like taxes or assessments applicable to this transaction or any services performed hereunder. Such taxes, if applicable, will be invoiced to Customer on a monthly basis. Except as specifically noted herein, all equipment, materials and labor necessary to perform the services enumerated in this Agreement are included within the compensation set forth in this paragraph. Customer shall pay all invoiced amounts due to Club Car within thirty (30) days after Customer’s receipt of such invoice.

### **2. Term; Termination.**

a. The initial term shall be for a period of 6 months commencing from 5/1/2021 to 10/31/2021. Upon expiration of the initial term, this Agreement will extend automatically at a price of \$2,400.00 for successive 12 month terms unless Customer provides thirty days written notice of nonrenewal to Club Car. Any such notice shall be effective at the expiration of the initial Term or of any renewal Term.

b. If any party fails to perform its duties under this Agreement, the other party may at its option give written notice to the defaulting party, specifying the nature of the alleged default and demanding that the default be cured. Upon receipt of the notice, the party claimed to be in default shall have ten (10) days within which to cure any default that may exist. If the default is not cured within the time allowed, the non-defaulting party may terminate this Agreement by written notice, in addition to any other remedies available at law or in equity.

**3. Warranty.** Club Car warrants that services and parts furnished under this contract will be free of defects in material and workmanship for a period of six months from the date of service. Except for the foregoing warranty, Club Car offers no warranties, express or implied, concerning the Club Car Maintenance.

### **4. Maintenance.**

a. Club Car and/or its contractor at its expense and at reasonable intervals shall cause an authorized representative to perform the Club Car Maintenance on the Equipment as specified in Paragraph 4 below (the “Scope of Work”) and shall have the right to remove affected items of Equipment from Customer’s premises in order to provide such maintenance and repairs. In the event of such removal, Club Car shall cause such item(s) to be returned to Customer as expeditiously as reasonably possible. All such work shall be performed in a good workmanlike fashion. Customer agrees to provide Club Car with full, free and safe access to Customer’s premises and the Equipment during the term of this Agreement for the purposes of performing maintenance.

b. Except for the Scope of Work, Customer agrees to perform all required maintenance of the Equipment and to accomplish same in a good workmanlike fashion. Customer agrees at its expense to employ competent trained personnel to provide routine and preventative maintenance on the Equipment and to follow all instructions contained in Club Car’s Owner’s Manuals and Maintenance and Service Manuals concerning the operation and maintenance of the Equipment Customer agrees it is responsible for all parts associated with the replacement and/or repair of all wear and tear items. Customer agrees that any damage caused by negligence or abuse by operators of the Equipment or negligence in the preventative maintenance and any damage resulting from non-compliance with Club Car’s Manuals stated above are the sole responsibility of the Customer. Customer is responsible for providing electricity and the cost of same for charging and/or gasoline and oil.

**5. Club Car Maintenance Services.** Club Car shall perform the Scope of Work indicated by the Customer’s initials below:

| <i>Initial Selected Plan</i> | <b>Initial</b>                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                              |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| <b>Plan</b>                  | <b>Monthly</b>                                                                                                                                                                                                                                                                                                                                                                                                     | <b>Quarterly</b>                                                                                                                                                                                                                                                                                                                                                                      | <b>Semi-Annual</b>                                                                                                                                                                                                                                                                                                                                                                           | <b>Annual</b>                                                                                                                                                                                                                                                                                                                                                  | <b>Water, Air, &amp; Cursory Inspection</b>                                                                                  |
| <b>Frequency</b>             | Monthly service of 25% of fleet                                                                                                                                                                                                                                                                                                                                                                                    | Every other week to service 17% of fleet.                                                                                                                                                                                                                                                                                                                                             | Semi-Annual to service 100% of fleet.                                                                                                                                                                                                                                                                                                                                                        | Every other week to service 17% of fleet. Annual to service 100% of fleet.                                                                                                                                                                                                                                                                                     | Every other week to service 50% of the fleet each visit.                                                                     |
| <b>Tires</b>                 | Monthly check and maintain proper pressure.                                                                                                                                                                                                                                                                                                                                                                        | Quarterly check and maintain proper pressure.                                                                                                                                                                                                                                                                                                                                         | Semi-annual check and maintain proper pressure.                                                                                                                                                                                                                                                                                                                                              | Annual check and maintain proper pressure.                                                                                                                                                                                                                                                                                                                     | Monthly check and maintain proper pressure.                                                                                  |
| <b>Front End</b>             | Quarterly inspection of ball joints, wheel bearings, bushings, alignment, springs, and shocks. Correct and adjust as needed.                                                                                                                                                                                                                                                                                       | Quarterly inspection of ball joints, wheel bearings, bushings, alignment, springs, and shocks. Correct and adjust as needed.                                                                                                                                                                                                                                                          | Quarterly inspection of ball joints, wheel bearings, bushings, alignment, springs, and shocks. Correct and adjust as needed.                                                                                                                                                                                                                                                                 | Quarterly inspection of ball joints, wheel bearings, bushings, alignment, springs, and shocks. Correct and adjust as needed.                                                                                                                                                                                                                                   | Not applicable.                                                                                                              |
| <b>Lubrication</b>           | Semi-annual lubrication of all fittings, clevises, cables, brake components, pedal groups, and linkages.                                                                                                                                                                                                                                                                                                           | Semi-annual lubrication of all fittings, clevises, cables, brake components, pedal groups, and linkages.                                                                                                                                                                                                                                                                              | Semi-annual lubrication of all fittings, clevises, cables, brake components, pedal groups, and linkages.                                                                                                                                                                                                                                                                                     | Annual lubrication of all fittings, clevises, cables, brake components, pedal groups, and linkages.                                                                                                                                                                                                                                                            | Not applicable.                                                                                                              |
| <b>Differential</b>          | Semi-annual check for leaks and damage to drive unit.                                                                                                                                                                                                                                                                                                                                                              | Semi-annual check for leaks and damage to drive unit.                                                                                                                                                                                                                                                                                                                                 | Semi-annual check for leaks and damage to drive unit.                                                                                                                                                                                                                                                                                                                                        | Annual check for leaks and damage to drive unit.                                                                                                                                                                                                                                                                                                               | Not applicable.                                                                                                              |
| <b>Brakes</b>                | Semi-annual inspect and adjust brakes, and perform annual brake service.                                                                                                                                                                                                                                                                                                                                           | Semi-annual inspect and adjust brakes, and perform annual brake service. Quarterly inspect and clean Dynamic Braking Resistor for Li Cars.                                                                                                                                                                                                                                            | Semi-annual inspect and adjust brakes, and perform annual brake service.                                                                                                                                                                                                                                                                                                                     | Annual inspect and adjust brakes, and perform annual brake service.                                                                                                                                                                                                                                                                                            | Not applicable.                                                                                                              |
| <b>Drive System</b>          | <ul style="list-style-type: none"> <li>• <b>Gas:</b> Monthly check engine oil level and quarterly inspection of belts, oil, terminal connections, reverse buzzer, and FNR switch.</li> <li>• <b>Electric:</b> Check connections, wiring, terminal connections, single point watering system, deionizer filter, reverse buzzer, FNR switch, nuts, and battery hold downs. All batteries will be watered.</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Gas:</b> Quarterly check engine oil level and quarterly inspection of belts, oil, terminal connections, reverse buzzer, and FNR switch.</li> <li>• <b>Electric:</b> Check connections, wiring, terminal connections, single point watering system, deionizer filter, reverse buzzer, FNR switch, nuts, and battery hold downs.</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Gas:</b> Semi-annual check belts and adjust, check oil level, terminal connections, reverse buzzer, FNR switch, and change oil.</li> <li>• <b>Electric:</b> Semi-annual check of connections, wiring, terminal connections, single point watering system, deionizer filter, reverse buzzer, FNR switch, nuts, and battery hold downs.</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Gas:</b> Annual check belts and adjust, terminal connections, reverse buzzer, FNR switch, and change oil.</li> <li>• <b>Electric:</b> Annual check connections, wiring, terminal connections, single point watering system, deionizer filter, reverse buzzer, FNR switch, nuts, and battery hold downs.</li> </ul> | <ul style="list-style-type: none"> <li>• Monthly all batteries will be inspected and watered to the proper level.</li> </ul> |

|                                   |                                                                                                                   |                                                                                                                     |                                                                                                                     |                                                                                                                  |                 |
|-----------------------------------|-------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-----------------|
| <b>Battery Charger (Electric)</b> | Monthly visually inspect battery charger, check cable connections, breakers, and lubricate receptacle with WD-40. | Quarterly visually inspect battery charger, check cable connections, breakers, and lubricate receptacle with WD-40. | Quarterly visually inspect battery charger, check cable connections, breakers, and lubricate receptacle with WD-40. | Annual visually inspect battery charger, check cable connections, breakers, and lubricate receptacle with WD-40. | Not applicable. |
| <b>Price Per Month Per Car</b>    | \$10.00                                                                                                           |                                                                                                                     |                                                                                                                     |                                                                                                                  |                 |

Other Special Conditions:

Club Car will not assess a trip charge or fee on billable repairs if a Customer selects a Monthly, Quarterly, or Water, Air & Cursory Inspection Plan.

**6. Equipment Malfunction.** Customer agrees to report to Club Car any malfunction of Equipment, identifying serial numbers and nature of complaints. Customer also agrees to report any damage, accidents, wrecks or vandalism to Club Car within twenty-four (24) hours of discovery. Customer is responsible for all costs associated with such incidents.

**7. Force Majeure.** The non-performance by Club Car of its obligations to deliver the maintenance hereunder shall be excused if such non-performance is caused by any strike, flood, fire, accident, or other casualty, act of God, war, governmental restrictions, shortage of, or inability to obtain parts or raw material from normal sources, damage by the elements, failure of equipment, power outages, or any other causes, whether of the kind herein enumerated or otherwise, beyond Club Car’s reasonable control (the “Force Majeure”) and Club Car shall have no liability to the Customer in connection with any such non-performance. If Club Car’s performance of its obligations under this Agreement is prevented or delayed by Customer or its agents, subcontractors, consultants, or employees, Club Car shall not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges or losses sustained or incurred by Customer.

**8. Safety Precautions.** During the term of this Agreement, Customer will take all necessary precautions for the health and safety of Club Car personnel who will perform any maintenance at the Customer site and the safety of the Equipment. Club Car shall be under no obligation to provide any services if doing so might place any Club Car personnel or Equipment in unsafe circumstances.

**9. Limitation of Liability.** Neither Club Car nor Customer shall in any event be liable for any consequential, incidental, indirect, special or punitive damages arising out of this contract or any breach thereof, or any defect in or failure or malfunction of the equipment hereunder, whether or not such damage is based on contract, warranty, negligence, indemnity, strict liability, or otherwise. The total liability of Club Car with respect to this agreement shall not exceed the price of the services or parts provided upon which such liability is based.

**10. Governing Law.** This Agreement shall be construed in accordance with the laws of the State of Georgia.

**11. Independent Contractor Status.** The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever. Customer may not assign this Agreement without Club Car’s prior written consent.

**12. Entirety of Agreement.** This Agreement contains the entire agreement between Club Car and Customer regarding the subject matter contained herein. All prior negotiations and discussions (whether in writing or made orally) by and between the parties which are not set forth in this Agreement or incorporated herein are merged into this Agreement and have no force or effect separate and apart from this Agreement.

**13. Attorneys' Fees.** In the event that any action, suit or other proceeding is instituted to remedy, prevent or obtain relief from a breach of this Agreement, or arising out of a breach of this Agreement, the prevailing party shall recover all of such party's reasonable attorneys' fees incurred in each and every such action, suit or other proceeding, including any and all appeals or petitions.

**CUSTOMER:**

**By:**

Print Name: Troy Klecker

Its: Community Development Director

**CLUB CAR**

By:

Print Name: Michael Bickel

Its: NA Services Leader

**EXHIBIT A**

Equipment

\$400.00 invoiced monthly for six months, May through October. (40) 2019 Tempo gas golf cars.