

Tanasi Golf Car Replacements - Yamaha Electric Cars Arrive in May-2018

To: Tellico Village Golfers,

Every few years Tellico Golf Operations completes a competitive and objective evaluation and bid process to replace one fleet of golf cars. Part of this evaluation includes requesting demonstrator cars (gasoline and electric) from each of the three major manufacturers. Tellico Golf Operations evaluates both types of cars to demonstrate that we have objectively considered all viable options.

Golf Car Evaluations Were Completed for (6) Golf Cars from (3) Suppliers

- Yamaha Electric, Yamaha Gasoline
- E-Z-GO Electric, E-Z-GO Gasoline
- Club Car Electric, Club Car Gasoline

Evaluation Process & Key Decision Criteria

1. Use a competitive and objective evaluation and bid process to replace golf cars; Consider all viable options
2. Request demonstrator golf cars; drive demonstrator golf cars for +/- 100 rounds of golf
3. **Have members use demonstrator golf cars on the golf course and solicit feedback**
4. **Have golf staff drive demonstrator golf cars and use them on the course and solicit feedback**
5. **Have golf course technicians evaluate golf cars and solicit feedback**
6. Evaluate noise levels – Yamaha Electric 58 dB, Yamaha Gas New QuietTech engine 61 dB
7. Evaluate noise levels – E-Z-GO Electric 59 dB, E-Z-GO Gas 69 dB
8. Evaluate noise levels – Club Car Electric 58.9 dB, Club Car Gas 65.5 dB
9. Other key considerations – Evaluate likes and dislikes (power, handling, braking, fumes)
10. Review economics – Cost of the golf car, Cost per round of electricity/fuel
11. Review economics – Cost of replacement batteries (electric cars only)
12. Review economics – Preventative maintenance costs and residual value at end of 7-years
13. Analyze & review – Total bid price and Total cost of ownership over a 7-year period

POA Golf Advisory Committee - Decision Summary

- **The Yamaha Electric golf car was the unanimous choice based on competitive and objective criteria**
- **Tellico Village members feedback has been overwhelmingly favorable toward electric golf cars**
- Gas golf cars – have fume issues, refueling issues, lack regenerative braking features of electric cars
- New QuietTech Yamaha Gasoline golf cars had noise levels about equal to electric golf cars
- **Savings vs Budget: (1) Yamaha Electric, Bid \$161,580 Budget \$230,000, Savings \$68,420**
- **Ranking of bid prices for (60) cars from lowest (1) \$161,580 to highest (6) \$213,380 are shown below**

	Bid Price	Budget-Bid \$230,000
1 Yamaha Electric	\$161,580	\$68,420
2 E-Z-GO Electric	\$168,120	\$61,880
3 E-Z-GO Gasoline	\$173,810	\$56,190
4 Yamaha Gasoline	\$194,280	\$35,720
5 Club Car Electric	\$199,577	\$30,423
6 Club Car Gasoline	\$213,380	\$16,620

Next Steps and Notes

- April 2018 – POA Finance Advisory Committee review & approval, POA Board review & approval
- May 2018 – Deploy new Yamaha Electric golf cars at Tanasi
- **Page-2 includes information from Jim West, Director of Golf about the process used to evaluate golf cars**

Contact: HOA Golf Liaison, Mark Kovar HOA.LoudonCo@gmail.com

Dear Tellico Village Golfers,

With three busy golf courses and three fleets of golf cars, every few years we go through a competitive and objective evaluation and bid process to replace one fleet of golf cars. Part of this includes requesting demonstrator cars (gasoline and electric) from each of the three major manufacturers. We evaluate both types of cars to demonstrate that we have objectively considered all viable options.

When we receive demonstrator cars, we put them into circulation for member use on the course and solicit feedback. We also have staff evaluate the cars, particularly our equipment technicians. Typically, a demonstrator car will be on the course for more than hundred rounds of golf.

The second part of the evaluation process is a review of the economics for the lifespan of our ownership of golf cars. Golf cars typically last for about seven years. We consider many factors when evaluating golf cars:

- Cost of the golf car
- Cost per round of electricity/fuel
- Cost of replacement batteries (electric cars only)
- Preventative maintenance costs and the estimated value at the end of ownership, or residual value.

We weigh all of these factors before making a purchasing decision. This is a process we have used for every fleet of cars since 2003. Despite the favorable economics of gasoline golf cars, since 2003 we have opted to go with electric cars due to overwhelming feedback from our membership. Similar to previous experiences, the feedback we have received over the past several months has been overwhelmingly favorable toward electric cars. We expect to receive final pricing from golf car manufacturers later this week and the economic evaluation will be completed shortly thereafter.

Thank you to everyone who has given us feedback. We appreciate and value your thoughts and support of golf operations at Tellico Village.

Sincerely,

Jim West, PGA

Director of Golf Operations