

HUTT GOLF CLUB INC

**SUBMISSION TO
HUTT RIVER ADVISORY
COMMITTEE**

SEPTEMBER 6 2007

INTRODUCTION

•HGC has only recently been informed of GWRC engineering preference for a Green Line alignment for stop-bank construction in the Boulcott Reach of the Hutt River

•There will be a significant impact on our viability which will extend well beyond the construction phase

•We are concerned that GWRC estimates for the three alignment options considered significantly understate the time and cost of construction disruption and recognition of subsequent recovery phases

•This submission presents a summary and counter arguments

•HGC seeks time to explore amalgamation with Boulcott Golf Club to mitigate the impacts

•Specifically the clubs seek a deferment of 6 months for any alignment decision, to enable discussions to take place and to seek members' approval

GWRC DESIGN OPTIONS		
	GWRC COST ESTIMATES	COMMENTS
GREEN LINE	\$ 10.1M + <u>2.5</u> \$ 12.6M	<ul style="list-style-type: none"> •Lowest indicative cost •Golf friendly stop-bank on BGC land could cost additional \$2.5m •Preferred engineering/cost solution •Some ponding relief •2.5 years construction period
BLUE LINE	\$ 15.2M	<ul style="list-style-type: none"> •Highest indicated cost •Provides greatest ponding relief •3.25 years construction period
RED LINE	\$ 11.8M	<ul style="list-style-type: none"> •Mid-range cost •Indicated high sustainability cost •Removes ponding relief •3.25 years construction period

HUTT GOLF CLUB RESPONSE	
KEY REQUIRED OUTCOMES <ul style="list-style-type: none"> •High quality 18 hole golf course •Full compensation for impact on viability 	
RED LINE	<ul style="list-style-type: none"> •Preferred option despite land area required (4.4 hectares) •Desirable to merge with BGC to best utilise available land •Least disruption during construction •Lowest operating cost compensation
BLUE LINE	<ul style="list-style-type: none"> •High level of disruption during construction/course recovery phase •Major impact on viability during and after construction phase
GREEN LINE	<ul style="list-style-type: none"> •Same as blue line

ARGUMENTS FOR AND AGAINST THE OPTIONS		
	FOR	AGAINST
RED LINE (presupposes merger of clubs)	<ul style="list-style-type: none"> •Would allow pre-construction of 18 hole course, alleviating disruption during stop-bank construction/course recovery •Full flood protection for significant recreational facilities •Could release land for higher impact use 	<ul style="list-style-type: none"> •Mid-range indicative cost (but lowest if Green Line modified) •Indicated high sustainability cost •HGC could consider release of further land to give increased setback •Merger not preferred option for BGC
BLUE LINE	<ul style="list-style-type: none"> •Preserves two long-standing, independent golf courses/clubs 	<ul style="list-style-type: none"> •Highest indicated cost •Exacerbates concerns re visual impact on neighbouring residential areas •High level of disruption to HGC during construction/recovery •Manageable level of disruption to BGC during construction/recovery
GREEN LINE	<ul style="list-style-type: none"> •Lowest indicated cost – but not if golf friendly design •Preferred engineering solution •Mitigates concerns re visual impact on neighbouring residential properties 	<ul style="list-style-type: none"> •High level of disruption to HGC during construction/recovery •Closure of BGC during construction/recovery •Major impact on viability of both clubs

BALLPARK COMPENSATION ESTIMATES			
<ul style="list-style-type: none"> •HGC believe GWRC estimates for compensation are significantly understated •Indicated times cover only construction process – no allowance for course recovery •Compensation cost estimates cover both HGC and BGC (not split) •HGC has developed ballpark estimates for impact on its operations 			
	GREEN LINE	BLUE LINE	RED LINE
GWRC	Construction BGC 1.25 yrs HGC 2.0 yrs Compensation \$ 1.40m	Construction BGC 2.0 yrs HGC 1.25 yrs Compensation \$ 3.745m	Construction BGC 1.25 yrs HGC 2.0 yrs Compensation \$ 1.86m
IMPACT ON HGC (BALLPARK ESTIMATES)	Construction 2.0 yrs Course recovery 1.0 yr Membership recovery 2.0 yrs Total impact 5 yrs Ballpark financial impact on HGC \$ 4m	Construction 1.25 yrs Course recovery 1.0 yr Membership recovery 2.0 yrs Total impact 4+ yrs Ballpark financial impact on HGC \$ 4m	Construction 2.0 yrs Course recovery 1.0 yr Membership recovery 2.0 yrs Total impact 5 yrs Ballpark financial impact on HGC \$ 3m
MORE LIKELY TOTAL PROJECT COST	\$17m (includes \$2.5m for golf friendly design on BGC)	\$17 to \$18m	\$16m

REQUEST TO HRAC

- Defer decision on alignment recommendation for 6 months to allow HGC and BGC to explore amalgamation and seek club members' approval
- Provide clubs with concept design for 18 hole course on merged properties with Red Line stop-bank
- Refine compensation cost estimates in discussion with clubs