

## **Boulcott – Hutt Golf Club's Merger Working Group Member's Update**

**6 August 2009**

The Presidents of both the Boulcott and Hutt Golf Clubs provide this update for our respective members on the work being undertaken by the working group considering the potential merger of golfing interests between the two clubs. The six person working group has held a number of meetings as they develop their recommendations to be presented back to the two clubs. On many occasions these meetings have involved club representatives and staff along with people and organisations which will assist in providing informed and comprehensive recommendations.

The working group has established a number of key areas of interest and is now in a position to provide members with this update. These areas are: Governance and Rules; Membership Costs; Member Services and Facilities; Course Design and Development; Financial and Business Impacts; Clubhouse Location and Development; Merger Management; Stopbank Impacts; Multi-Sport Opportunities; Greater Wellington Regional Council; Hutt City Council.

These elements stemmed from an initial planning and strategy session undertaken by the group from which it was agreed that it would be recommending the establishment of one club, operating from one clubhouse, using one course facility and operating under a new name/brand/identity. This decision was achieved from using the SWOT-type analysis whereby evaluating the strengths, weaknesses, opportunities and threats facing the two clubs. The committee is also working to achieve 18-holes of continuous golf during the stopbank construction period.

The objective of this communication is to bring members of both clubs up to speed with the work having been conducted to date.

**Governance and Rules** – Both clubs share the same balance date and similar rules whereby a special general meeting is the vehicle for any potential changes to the rules/constitution. Any potential new organisation would be governed by a board to be elected by the members.

**Membership Costs** – It is appreciated that both clubs have a range of membership categories and the cost of these categories differ. It is understood that allowances will have to be made when integrating the memberships of the two clubs while it is also appreciated that members will have an expectation of paying a membership not too dissimilar to what they currently pay. In addition to this is an acceptance that the final membership cost will also be influence on the required revenue to operate the club in a prudent and financially viable manner.

**Member Services and Facilities** – Providing for the current and future needs of members is a further challenge for the working group. Ensuring that the history and major competitions relating to both clubs is retained is deemed to being important while ensuring members achieve the golfing experience that they desire. Golfing services and facilities encompass elements such as practice and training facilities, professional services and coaching along with social facilities within the clubhouse.

**Course Design and Development** – Discussions have been held with an international course designer along with using the knowledge of both club's course staff in the group's attempt to maximise the combined land of the two clubs. The primary objective is to produce an 18-hole course with up to six tee options per hole – therefore providing a range of available course lengths for members and visitors. In addition to this is the establishment of a short hole course. The group is taking into account the need to utilise existing tees, fairways and greens to ensure costs are kept to a manageable level.

**Financial and Business Impacts** – The respective Treasurers of both clubs have completed an expenditure review should a merger be achieved with potential savings of \$200k per annum being achieved – this being considered a conservative result. The revenue opportunities are currently being considered. Included in this exercise consideration will be given to potential commercial opportunities within the clubs – café, bar, functions, driving range etc. The group is aware that their recommendation must be supported by a business case which we ensure long-term financial viability. Land retention is a further matter under consideration the aim being the clubs retains the ownership of all land.

**Clubhouse Development and Location** – The view of the group is that the ultimate aim is the development of a new purpose-built clubhouse, the optimum location being at the northern end of the course with access to Fairway Drive. A costing and a concept design has been produced so that the scale of such a project can be evaluated. Aligned with this is the evaluation of land which has sale or development potential – the group is working with appropriate parties to determine appropriate and available options. Returns from such developments would be re-invested back into course and clubhouse development costs.

**Merger Management** – To ensure that the potential transition of both clubs into a single merged entity was achieved in a seamless and effective manner it is recommended that a merger Management Committee Group be established which would drive and manage the process. The aim here is to achieve a coming together of the two clubs in a manner which respects the member's needs and be a model of how two organisations come together in an easy conducive manner.

**Stopbank Impacts** – Discussions with Greater Wellington Regional Council have resulted in an agreement that a review of the Stopbank construction programme will be undertaken if the two clubs merge. This would encompass slightly amending the alignment across Boulcott which would make more land available for the golf course, while the Hutt alignment will change across the 17<sup>th</sup>, 16<sup>th</sup>, 15<sup>th</sup> and 11<sup>th</sup> fairways. In addition to this the construction impact would be reduced from four years to two years, while all land would be retained under golf club ownership.

**Multi-Sport Opportunities** – Hutt City Council is about to launch an initiative called Sportsville which involves the establishment of multi-sport facilities or sporting hubs. Both the Council and the working group are considering whether this would be appropriate for the potential merged golf club project. This does involve relocating golf compatible sports into the development, along with potential access to the likes of Avalon Park. This would bring other codes into the mix while potentially finding additional land for the golf club.

**Hutt City Council/Greater Wellington Regional Council** – Both councils have been briefed on the group's work and are actively involved in assisting the group when and where possible.

It is important to remind everyone of the tight timeframes put in place in regards to the commencement of work on the planned stopbank project. The working group is therefore anticipating its work to be completed by late September and for the clubs to make a decision on its findings during October. On-going communications will continue to our members.

Joe Liddle  
President  
Boulcott Golf Club

Bruce Webster  
President  
Hutt Golf Club