

HESWALL GOLF CLUB

EXTRA-ORDINARY GENERAL MEETING – 19TH MARCH 2024

The following questions include those asked at the EGM on 19th March 2024, as well as those raised by Members outside of the meeting.

- Q. There is a lot of merit in the member proposal to divert a significant amount of money from the irrigation project by repairing rather than replacing the current system, to allow this to fund drainage improvements.**
- A. Council do not argue the fact that the club need to spend money on drainage, the case has already been made for the need to invest money into improving the drainage infrastructure. We hope that the presentations from Chair of Finance and our Treasurer have provided clarity on how the club can afford to fund both irrigation and drainage projects. We have provided a great deal of information previously in respect of faults and failings in our current irrigation system the majority of which is 43 years old, quite simply the system is beyond repair and trying to do so would be a waste of time and money as confirmed by our independent irrigation consultant.
- Q. The plan appears to be dependent on improving our income – to that end, the club need to address areas to increase income such as bar & catering and social events.**
- A. Our new Chair of House, Simon Carter, unfortunately could not attend this evening's meeting, but is working on a plan to improve bar and catering income with our House Manager. Our Social Committee are also very active in organising social events – and any suggestions for social functions are always welcome. We do need member support in attending these events to ensure their success.
- Q. We have lost a lot of colts over previous years to Royal Liverpool, largely due to the course condition during the summer months, therefore we do need to address irrigation to retain members to allow our green staff to present the best possible course throughout the year. This must also be very demotivating to staff if they are having to deal with continuous issues instead of being able to carry out the work they should be doing.**
- A. Agreed.
- Q. We must improve the member experience for a 12 month a year course. Drainage work needs to be done much quicker than over a number of years and we should use external contractors if this assists in getting this achieved.**
- A. Absolutely agreed. However, improving our drainage systems is a longer-term project. As we've said before, unless we disrupt golf during the main playing summer season - which I believe would not be very popular - there is a fairly narrow window of opportunity each year to carry out major trenching and other similar activities before the ground becomes too soft to handle contractors' heavy machinery. That said, a lot of the work can be done in-house with little disruption to day-to-day golfing activity. We'll be doing as much as we practically can as quickly as we can, but want to ensure that we prioritise work that is going to have the most impact.

As presented by Chair of Green this evening, we propose to carry out activity to address drainage in 2024 and in accord with the recommendations and prioritised list of actions from

our drainage consultant. However, it has further been recommended by the drainage consultant that activity should be carried out in a phased approach whereby we assess the impact of activity before planning the next stage, thus drainage activity will and should be carried out over several years but will commence this year.

Q. Having joined in 1960, when there were 4 trees on the course and it was always playable, I believe that the mass planting of trees in 1978 has affected our drains with tree roots running through them, which we should also look at when reviewing our current drainage.

A. Agreed, the tree roots may well have adversely affected the drains and this is something which will be considered when addressing and improving performance of the existing and new drains.

Q. We bought a trencher in 2013 – do we still have this and why has it not been utilised more?

A. We still have this trencher, and have used it on multiple projects including the recent work to the 2nd, 14th and 18th greens and we will use it when laying new piped drains on fairways.

Q. Can we sub-contract the harder elements of drainage work, and retain lower key tasks in-house?

A. More problematic tasks will require external contractors, yes, and we will bring these in as required.

Q. Can Chris Hornsby and Paul Jamieson clarify exactly what we are looking to borrow for both projects, and how much this will incur in additional interest charges over what we are paying now.

A. We will have a total of £1.5m total borrowings to be repaid by 2044 (instead of the current 2034) at a rate of 2.45% over base rate which will mean our annual loan repayments will increase by £23k a year to include both interest and capital repayments.

Q. Firstly, can I start with thanking Liam and the Greens staff for all of their hard work despite very difficult weather conditions. In terms of drainage, how much have we been told for a 'gold plated' option, and how much for other recommendations?

A. As we have only just received the drainage survey, which is 67 pages in length, it would not be helpful to provide figures based on the initial information until we have digested the report and identified the works we will undertake to receive more accurate cost estimates. Once this is collated, we will then publish to members.

Even if we had unlimited funds, it would not be practical to carry out the drainage work as one project as it would close the course for a long period of time. It has to be done in a phased approach, as advised and recommended by the drainage consultant, and to that end we would carry out the work according to priorities highlighted in the report for the maximum impact in the shortest term.

We have identified that we can afford £250K over the next 3 years as a phased drainage project, which is not an insignificant sum, and a lot of work will also be carried out in-house. The detailed costings will not be ready before we need to commit to certain contractors for our irrigation project (such as Rainbird by 7th April to avoid price rises) and therefore we should not delay our irrigation work pending these figures as these remain two separate

projects. Council will ensure that we use the money available to determine the most impactful drainage work we can achieve.

Q. As playing days have reduced for members over the last few months, have Council identified this as a priority to improve?

A. Council are in full agreement that it is of the utmost importance to ensure that members receive value for money for their membership. By identifying both irrigation and drainage improvements over the next few years we expect to extend the ability of playing days through these projects. We have sweated the asset of our current irrigation system to the fullest degree now, which puts the club in financial peril due to unknown repair costs and other costs such as water bills (£14K for water in 2023 for greens!) which would also have a possible impact on subscriptions.

Drainage will be a continual challenge, and particularly if we experience more winters like the one we have just had. Therefore, having the clarity of purpose to identify both irrigation and drainage as priorities will allow our greens staff the best chance of success with having a single remaining challenge through drainage moving forwards once irrigation work is complete. Irrigation infrastructure also has an average life expectancy of 25 years therefore we will not need to address renewal for many years other than maintaining the system. We believe that this approach gives the club the best chance of success in providing members a course to be proud of.

Q. Although we have identified £250K being available for drainage, we don't know yet what this will cover. What if we need more than we have?

A. We need to take the site survey report from the drainage consultant and turn this, as soon as possible, into an actionable plan with costs and deliverables. A sum of £250,000 should be specifically available for drainage over the next 3 years. Until we have completed the next steps we do not know what is feasible to deliver the most benefit from this investment.

Q. As someone who is supportive of the irrigation project and need to improve this system, I don't believe we have all the facts yet for members be fully apprised of the finances around both projects. One question that I would like to ask is why it was proposed to relocate the pumphouse and storage tank to the compound area, as we are on a sloping site and therefore shouldn't necessarily locate these in the middle of the course. Should we not consider the reasons for the current positioning of the existing system and the benefit from gravitational delivery of the irrigation.

A. The Club has consulted with a leading expert on irrigation who has given his recommendations and guidance. Although this is not necessarily relevant to tonight's discussion, we can liaise with our consultant to ask him to respond to this query.

Post Meeting Note: This point was presented to our irrigation installation contractors who provided a very detailed response to the question. The full response has been provided to the member who raised the initial enquiry. In summary, the design specification takes account of the relocation of the borehole, pump house and water storage tank. The specification of the two new pumps (rather than the three we currently have) is such that they will be far more energy efficient than existing ones and rather than potentially increasing costs will reduce energy costs in respect of the pump house. The reduced costs in respect of eliminating the need for pipework and electrics from the current pump house to

the compound have been used to offset the costs of the new borehole. We do not feel that any further action is required in this regard.

Q. As a new member who has enjoyed his time at the club so far, the club should ensure that we remain a profitable business and ensure we address major projects in our long term plan.

A. Thank you very much for your positive comments, which we will certainly take on board.

Q. It is encouraging to understand that we can afford drainage alongside irrigation, but I am worried about how much priority we are giving to drainage. As a drainage engineer, I understand that this is a long term plan, but we should ensure this is more of a priority, and work to identify how much it will cost over the next 3 years.

A. Agreed.

Q. If one project is to be given priority, what will this be?

A. As we have identified £90-£100K available for drainage this year in addition to the irrigation project finances available, with a further £150k available for drainage over the following 2 years, there is no reason to choose only one of these two projects as a priority. If irrigation is halted now, the work would not be done this year or even next year and would undoubtedly cost the club more money when we recommenced in addition to expensive repair and other costs in the meantime. Drainage has not just suddenly become a challenge, it has always been a difficult area of the course to manage, but Council have worked hard to ensure we can tackle both problems.

Both projects are priorities.

Q. £30K was spent on the 12th hole on drainage and has had little to no effect – what guarantee do we have that any new work will have the desired effect?

A. It is vital for any work undertaken – whether irrigation or drainage – that we do this properly. Work carried out in the past has not always had the intended results. Therefore, engaging with an expert consultant ensures that we have an unbiased opinion on what we need to do, as well as how to improve previous work that is not performing as it should. If we look back, the 2nd green used to flood constantly, but with recent improvements we can see the results that can be achieved with drainage to move forward successfully.

Q. If we need to sign the Rainbird contract by 7th April, does this commit us at that stage? If so, this would give the Greens staff the chance to implement some drainage works in-house prior.

Yes, as the suppliers would order materials accordingly. For the actual main installation in September, preliminary work on the borehole and water tank needs to take place earlier. The number one priority for green staff on drainage has been to clear and improve ditches, and you are right that they can continue to do drainage work as they are able.

Q. Is there anything that members can do to help in terms of drainage?

A. Yes, we have volunteers on the course on Mondays and Wednesdays. Should anyone be interested in volunteering, please speak to Margaret Shepherd who co-ordinates this group on a weekly basis.