

From: [REDACTED]
Sent: Wed, 27 Sep 2017 10:16:17 +1000
To: T1ecmp
Subject: BITS Golf update on irrigation system

#ECMBODY
#QAP 1



PO Box 29 Gladstone QLD 4680

From: [REDACTED]
Sent: Monday, 25 September 2017 6:12 PM
To: 'Clint Storch' [REDACTED]
Cc: [REDACTED]

Clint,

Thanks for your time earlier today to meet with Councillors and discuss the latest position with respect to the BITS Golf Club irrigation system. Please also pass on our thanks to Duncan Adams, John Anderson and John Britton for their attendance and input also.

Regrettably, as Council's next guests followed almost immediately after your deputation there was limited opportunity to further consider the matter prior to me reporting back to Council formally. However, if I was to take a stab at where the discussions landed, I might summarise things as follows:

1. In the interests of reaching agreement, Council increase its earlier (13 December 2016) offer of a one-off investment (up to \$500,000) to upgrade/replace the existing irrigation system at the golf club subject to the club accepting full responsibility for ownership and maintenance of the replacement system, subject to the following conditions:
 - a. The club making a genuine effort to secure grant funding for up to 20% (or \$100,000) of the project before 30 June 2018. Council might accept a lesser amount, but would want to see a genuine effort made before committing solely ratepayer funds to the project.

- b. Environmental/soil testing (est. \$13,000/annum for BITS Golf Club) would continue to be provided by Council until the expiry of the lease extension on 31 December 2022.
 - c. Council will meet electricity costs for 12 months following commissioning of the new system (to establish a baseline cost figure/pattern) after which Council will recover electricity costs (with calculation criteria agreed from the outset - eg. 65% of total BITS consumption etc.) from the club - until such time as the electricity is separately metered and/or can be satisfactorily charged directly to the club.
 - d. All other conditions of the June 2016 and 13 December 2016 offers being accepted, viz:
 - i. The club agreeing to work collaboratively with Council and other clubs accessing the irrigation system to ensure that no undue disadvantage is created for one or other club as part of this proposal.
 - ii. Council reserving its rights to not proceed with the project unless a satisfactory tender and affordable funding solution can be agreed between the parties.
 - iii. The club restoring usage opportunities of the licenced clubhouse for other BITS sporting clubs.
 - e. The club acknowledging that, in any event, all assistance currently offered by Council will cease following expiry of the next lease extension on 31 December 2022.
2. Council wants to get BITS Golf Club maintaining the facility without assistance at the earliest opportunity - and BITS Golf Club agrees, but needs some assistance in the immediate term (as above).
 3. Rightly or wrongly, there remains some hesitation amongst Councillors about the precedent that might be set (or inequity caused) by providing further assistance/concessions to BITS Golf Club. Moreover, there remains some unease about the club's long-term future if it cannot contribute to reasonable running costs of the current golf business.

It would be appreciated if you could discuss my take on today's meeting (above) with your committee and let me know if the club is prepared to proceed on this basis? I will then be in a position to report to Council for a formal determination.

Thanks again for your attendance today and for your continued co-operation in bringing this matter to a conclusion.

Regards

[Redacted signature]

[Redacted contact information]