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07 March 2008

Joe Liddle  
President  
Boulcott Golf Club (Incorporated)  
P O Box 30334  
Lower Hutt

Dear Joe,

**Re: The Boulcott Alternative Alignment**

Thank you for meeting Graeme Campbell and myself this morning, it was appreciated.

This letter is designed to confirm the highlights of our discussion and to ensure that there is no misinterpretation as to the position expressed by Greater Wellington Regional Council (GWRC).

As officers of GWRC, it is clear that there is no foregone conclusion as to which alignment option will be selected for the stopbank which will pass through the Boulcott golf course. There remains a cost differential between the options amounting to \$2.4m.

For the Boulcott alternative alignment to be considered it is essential that this difference be minimised to the greatest extent possible.

Following are the items tabled today which the officers believe are required, as a minimum, for the Boulcott alternative alignment to be considered as a viable option:

1. The Boulcott Golf Club (BGC) land be transferred to the ownership of GWRC at nil consideration.
2. BGC would retain ownership of the buildings and improvements.
3. GWRC would grant BGC, for the purpose of golf, a perpetually renewable lease over the BGC land and the GWRC land (being both the land presently under lease and the unused portion of the ex-Rentokil land) at a rent of \$1.00 per annum. BGC would retain responsibility for all buildings and improvements and for payment of rates.
4. If required by BGC, GWRC would also be prepared to grant a lease on part of the GWRC land off the west side of Harcourt Werry Drive for the purpose of carparking.
5. As part of the stopbank work and reinstatement of the golfing infrastructure, the BGC will undertake and contribute work in the development of greens, tees, bunker and other golfing structures, turf production, tree removal and general course landscaping to a value of no less than \$200,000.
6. As part of the compensation to be negotiated and agreed, BGC and its members will forego any claim for player subscription subsidy.
7. BGC will accept that compensation will be limited to GWRC maintaining the financial position and viability of the BGC to the standard it has traded on average over preceding years (as per audited accounts). In essence any net loss of income recorded from whatever source, if interrupted or stopped as a result of the work, will be an item to be compensated. Any savings

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- in costs during this period will also be taken into account as it is the net position which is to be maintained through compensation.
8. The GWRC responsibility for compensation will be limited to the period commencing when entry is made to the Boulcott golf course for the stopbank construction, (year 4 of the construction programme) and finishing at the time the stopbank on the Boulcott golf course is completed and the golf course is returned to the BGC in a playing/functioning condition. Entry onto the course for the purpose of preparation work and which does not interrupt player activity will not be deemed to be entry for stopbank construction.
  9. Throughout the process of the work, GWRC and BGC shall cooperate to achieve the least possible impact of the work on the BGC, to minimise the period of entry and to achieve the fastest possible recovery of the course to a playable condition.
  10. BGC undertakes to not object to the statutory process which GWRC will undertake to obtain a flood protection designation over the land for the work and any allied resource consent application required.
  11. By way of a correction, GWRC has consistently advised that the flood protected land resulting from the Green Alignment would amount to 1.5570 hectares which at a value of \$1.5m per hectare represents \$2.4m. This assumes successful rezoning of the land. After adding a purchase price for the floodable land of \$300,000 this potentially realises for the BGC a total of \$2.7m.

A recalculation of the area has shown it to more correctly be described as 3.5800 hectares which at a value of \$1.5m per hectare represents \$5.4m. After adding the \$300,000 for sale of land to GWRC, the total realisation is estimated to be \$5.7m.

I trust this is a fair representation of the content of our meeting.

I understand that you have arranged to hold a members meeting on Monday evening and that the above information will be tabled at that time. I look forward to hearing from you on Tuesday as to the outcome.

It is anticipated by GWRC that the BGC will be making a representation to the Hutt River Advisory Committee at its meeting on Thursday 13 March 2008 (to be held at Hutt City council chamber). Part of that representation is expected to be an unequivocal declaration that the BGC does support the Boulcott Alternative Alignment as it has been presented and discussed. Your confirmation of this would be appreciated.

Yours sincerely  
O'Brien Property Consultancy Limited.



Peter O'Brien