



11 JULY 2023

RENOVATION/CAPITAL PROJECTS



Generator

A 610kVa backup generator is currently being installed in the rear carpark. Once complete the generator will have the capacity to allow the Club to continue to operate during electricity outages and be better prepared for its role as the evacuation centre for Merimbula. The work is expected to be complete (including reinstatement of the side driveway) by end of July. The majority of the funding for this initiative came through a grant from the Federal Government's Black Summer Bushfire Grants Scheme (\$468,120).



Fire Safety System

The installation of a state-of-the-art Fire Safety System, including installing sprinklers throughout the Club, is very close to completion. Contractors have only a couple of very minor adjustments remaining. We are expecting to get full sign off and an Occupation Certificate issued in the coming weeks. The project cost (approximately \$1million) was necessary to provide the safest possible facilities for our staff, members and guests and reduces our risk of having unobtainable or unaffordable building insurance in the future. Pleasingly the long-term trend for rising insurance cost appears to have already been improved based on insurance premiums for the coming year, due to this installation.



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Maintenance to solar panels

In 2013 the Club installed 378 solar panels on the Clubhouse roof. This system has more than paid for itself through reduced electricity consumption in the 10 years since installation. A recent inspection of the system identified it was now due for maintenance/repairs to such things as the framing, the backbone cabling, and the DC switchboard. Pleasingly the panels and inverters are still in excellent condition. This restoration work is now well underway and is expected to be finished by the end of July at a cost of approximately \$63,000.

Commercial retail development on Lot 122

A Development Application has been lodged for the construction of two bulky goods retail stores (850m² each) and 56 car parks on the development site north of the Club's car park and adjacent to Bowlers Drive. Subject to members approval, the Club will own the asset and lease to a long-term commercial tenant. Terms of a draft commercial lease have been negotiated with the Super Retail Group. Later this year at a general meeting of members, the Board will brief the membership on the detail of this proposal and seek approval to proceed. This initiative is part of the Board's strategy to reduce the Club's reliance on gaming.

DEVELOPMENT SITE

SEEKING INTERESTS TO LEASE, BUILD OR JOINT VENTURE

- 6,434 sqm Site with three street frontages
- 16m Height limit
- B4 Mixed Use Zoning permitting Retail, Commercial and Residential (STCA)
- Sewer & water to boundary
- Electrical substation kiosk in close proximity

FUTURE ALDI WOOLWORTHS CLUB SAPPHIRE

DEVELOPMENT SITE

CLUB SAPPHIRE MERIMBULA – PROPERTY HOLDING CONTACT: PETER

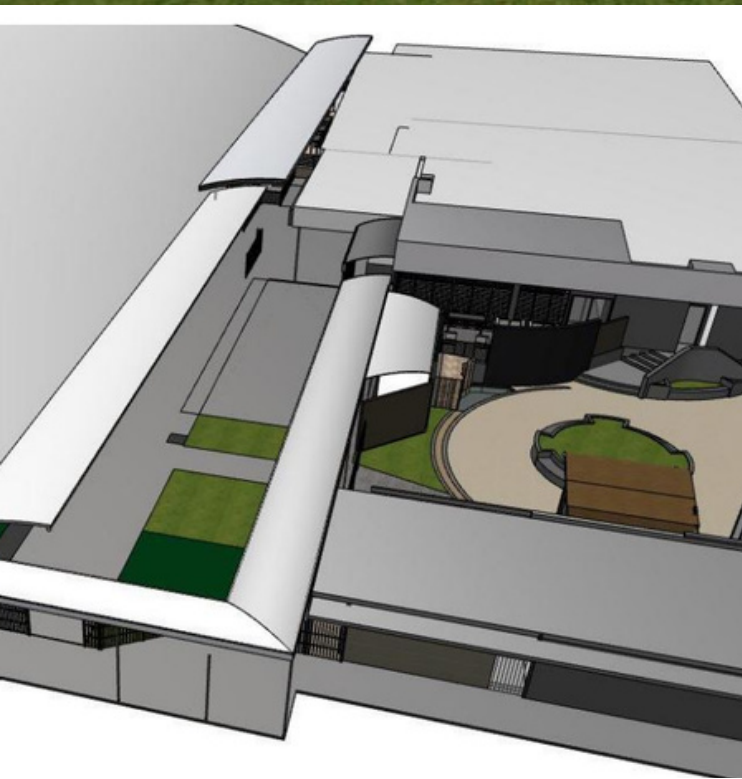


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Bowler's Facilities

A new Bowler's locker room, meeting room and office is planned for the eastern end of the grassed area between Kitty's courtyard and Bowling Green No. 2. Due to the nature of this construction a full Development Application (DA) is required. Richie McNeil Design is expected to lodge this application on the Club's behalf before the end of July. Due to the extended time required for DA approval, construction is not expected to commence on this initiative until next calendar year. Initial estimates suggest the project will cost approximately \$500,000.



Awning along southern side of Bowling Green No 2.

As part of the improvements to bowler's facilities a new membrane awning (similar in design to the existing awning over the bowler's viewing deck) will be installed the length of the southern side of Bowling Green No. 2. This will effectively extend the bowling green roof by approximately 4 metres to the south creating better wet weather protection on the southern end of the green and all-weather protection to the area between the proposed locker rooms and Bowling Green No. 2. Complying Development Certificate (CDC) approval for this work is expected within July and installation complete by October. Cost for this initiative is expected to be approx. \$120,000.



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Refurbishment of bowler's outdoor toilets

As a further stage in the improvements to bowler's facilities, the toilets adjacent to the maintenance shed will be refurbished. The existing building will remain but will be refreshed internally with new toilets, basins, joinery, tiles, paint etc. This work is expected to be undertaken at the same time the new locker room is constructed. Whilst initial design work has commenced, costing has not been quantified as yet.



Sports Lounge

The Club has received Council approval, via a Complying Development Certificate (CDC), to proceed with the construction of a new sports lounge, in the location of the current temporary TAB space. The new lounge will include an opening window to view the bowling greens. Subject to cost being acceptable, this work is expected to commence in August and will be complete by Christmas. Initial estimates suggest the project will cost approximately \$450,000.

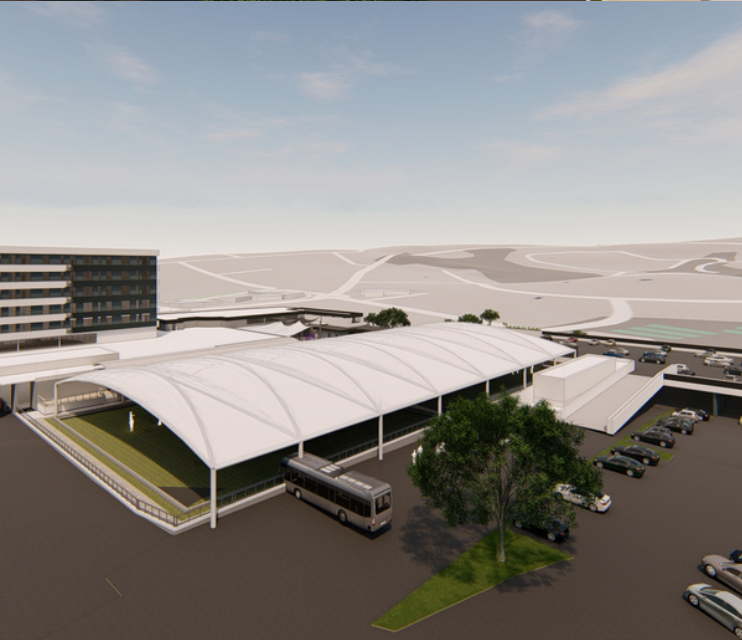
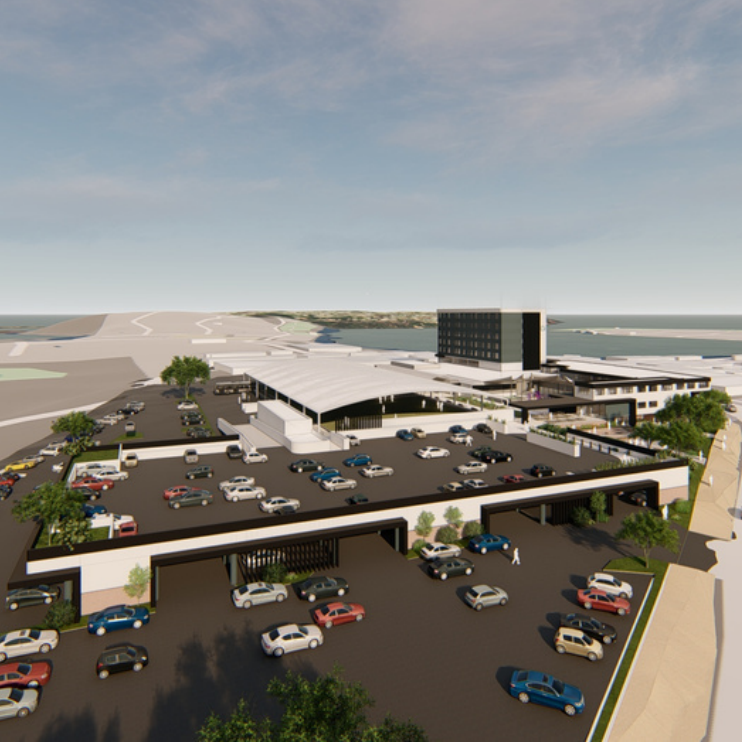
Accessible hoist to stage in Auditorium

A mobile hoist has been purchased to provide wheelchair access to the stage in the Auditorium (approx. cost of \$23,000). The hoist will now be available as required.



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HOTEL DEVELOPMENT



As reported at Annual General Meetings and in Annual Reports of recent years, the Club has been working on a major concept to build a 4+star branded hotel and conference facility on club land and to integrate it with existing clubhouse facilities (bars, restaurants, function and conference spaces, gymnasium etc).

Both BVSC and local tourism authorities have been calling for this sort of facility in Merimbula for many years due to its potential capacity to attract a new and high yield part of the visitor economy that is not currently patronising Merimbula and most importantly, all year round.

This is a very long-term project that requires many levels of government, council and ultimately membership approval, before being able to proceed. We have spent the past five years working on this project due to the significant benefits it can bring the Club, Merimbula and the Sapphire Coast.

The first stage of those approvals was achieved in recent weeks when the Club's "Planning Proposal" was approved by BVSC to be forwarded to the NSW Department of Planning and Environment seeking their "gateway approval" to publicly exhibit the proposal.



Members News



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The financial model favoured by the Board is for the Club to build and own the building and an independent hotel operator fits out the rooms, brands the building and operates it as their own. In return the hotel operator will pay a lease fee to the Club. The hotel would not have its own restaurants, bars etc. and therefore hotel guests would utilise the Club's existing facilities during their stay.

The Planning Proposal seeks to increase the building height permitted for our site specifically, and only over the south-eastern corner of the existing clubhouse building, from 16m to 26m. The clubhouse site is unique due to the minimal impact a building of such height would have on existing views and is probably the only site such a facility could feasibly be built in Merimbula.

We reviewed a number of options, and the current option with a thinner tower worked better than a bulky 16m building from an amenity, club operations, hotel offering, and financial feasibility perspective.

Based on feedback from a number of the major hotel operators in Australia, this height is essential if they are to achieve the critical mass of room numbers with great coastal views and 4+ star room rates that makes their business case stack up.

This project is the major initiative of the Board to ultimately reduce the Club's reliance on gaming. The Board will hold an information meeting for members to be briefed on this proposal in detail once it has progressed further on the long approval pathway.



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95/97 Main St Residential Development

DA approval for the construction of a 40-unit residential property development was received in August 2021. Due to rising building costs and interest rate increases, the Board took the decision to sell this land and approved DA instead of taking the risk of developing the site itself. The Board has decided to list this development opportunity with a national commercial real estate agent and as such is currently investigating the best options in this regard.



A huge thank you to all members for your ongoing support of the Club. The worst of the COVID effected period appears to be behind us now and we are so pleased to be able to reinstate many of our pre- COVID promotional activities for your entertainment and enjoyment as outlined in the following page.

Damien Foley
CEO
Club Sapphire Merimbula



Members News



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Club
Sapphire
MERIMBULA

MONDAY
BINGO
DOORS OPEN 10AM
EYES DOWN 10.30AM

THURSDAY
POKER
REGISTRATION 6PM
START 6.30PM

FRIDAY
GRASSHOPPER RAFFLES
ON SALE 5.30PM
DRAWN 6.30PM
MEMBERS DRAW
5.30PM, 6.00PM
& 6.30PM

SATURDAY
MEMBERS DRAW
4.30PM, 5.00PM & 5.30PM
RAFFLES
ON SALE 3.30PM
DRAWN AT 4.30PM

SUNDAY
FARM ON THE GREEN
EVERY SUNDAY
FROM 9.30 TO 11.30AM
SOCIAL DANCING
2ND & 4TH SUNDAY
OF EVERY MONTH

Weekly Events

New and returning promotional activities.

We are pleased to advise of several promotional initiatives:

- New badge draws Friday and Saturday nights.
 - Friday night in the Club has not had a badge draw since COVID but this has now been rectified with a starting prize of \$2,500, three draws per week, jackpotting \$250 each draw the prize is not claimed. If/when the prize reaches \$10,000, it will stay at this level and the number of draws will increase until won.
 - The Saturday night \$1,000 badge draw has also been replaced with a new badge draw identical to the Friday night.
- Bingo is on again on Monday morning. Doors open at 10am, eyes down at 10.30am.
- Courtesy Bus is now available 7 nights per week. Additionally, the club owned bus is expected to be repaired and returned to full service before end of July. Until then the Club will continue to hire the replacement vehicle.
- Every Tuesday night in July and August will feature a different meal deal in the bistro, great value and changing every week.
- Kitty's winter trading hours have been amended to now open Wednesday through to Saturday nights only. Wednesday is family friendly with under 18's welcome and from 20 July, Thursday nights will also become family friendly.
- Club opening hours have changed. The Club is now open from 10am every day of the week.
- Happy hour, Monday to Thursday from 4pm to 6pm, \$5 tap beer and wine.