



Koomerang Mt Buller

A LONG-OVERDUE RENOVATION

Painters aren't great
photographers . . .

but the lodge is looking
much better!



Summary

- ▶ We seek approval for \$1.02m to renovate Mt Buller
- ▶ We will construct ensuites and re-decorate
- ▶ The cost to the Club will fall in a range of \$794,000 and \$927,000 after GST refund with usage of contingency the swing factor
- ▶ We can finance & repay this with ease
- ▶ This is third attempt at a renovation that is long overdue
- ▶ It's a modest proposal that Members requested
- ▶ It does not close out any future development options

Background

- ▶ Our lodge has served the Club well for a long time
- ▶ Its an old building that is overdue some improvements
- ▶ The project was attempted in ~2009 with ensuite plans drawn by GMR Engineering from Shepperton
- ▶ Another more ambitious effort was looked at 2017/8 subsequent to Mt Hotham build but didn't proceed
- ▶ We re-formed a Sub Committee in 2021 to get this planned and completed

Approach

- ▶ Feedback from Member survey has guided our efforts
- ▶ Members told us many things but the common message was:
 - ▶ We like location & living areas
 - ▶ We want ensuites
 - ▶ We think lodge is tired and needs sprucing up
- ▶ And that has defined our scope
- ▶ Essential maintenance / ensuites / refresh decor

2021 Survey:

Q10 What are your favorite features of the Mt Buller lodge?

- ▶ Fireplace mentioned 25 times!
- ▶ Location mentioned 39 times!
- ▶ Kitchen communal areas lounges 25 mentions!
- ▶ Views – Only 2 or 3 mentions
- ▶ No love for bedrooms or bathrooms!

2021 Survey

Question 11. Highest Priority?

- ▶ Bathrooms mentioned 44 times
- ▶ General upgrade 17 mentions
- ▶ Bedrooms mentioned 25 times
- ▶ Other mentions – double glazing windows, sound insulation

2021 Survey Q11. Highest Priorities

Refurbish bedroom wing. Double/twin rooms at Hotham and Thredbo seem to work well. Ensuite not critical. Hopefully space allocation could be sufficient not to reduce total bed numbers.

If a decision is made to do work on the lodge it should be brought up to date in all facets. Upon entry it is important to have a feel good sensation. Really its bathrooms and bedrooms that need the most attention and build in warmth, charm and character. The main living area is just a rectangle with some furniture dumped in it - very plain and very basic. It just needs to be dressed to give it a welcoming warmth. This can be done without spending a lot of money. The kitchen is good and no real need to change. The stair case is highly functional but cold and industrial - it just needs to be dressed. The big issue is budget and I would not like to see the club incumbered with a large debt. Hope this helps.

This is hard to put into words. Can I just say that Hotham is great and we should aim as a Club to replicate the design and finish at Buller. Appreciate with the number beds required at Buller a rebuild to that standard (eg double rooms with ensuite) may not be possible, but trying to be helpful, matching Hotham's design/finish would be my highest priority.

Maintenance

Ensuites

Upgrade bathrooms

Bathrooms and bed wing

Test

Bathrooms and bedrooms

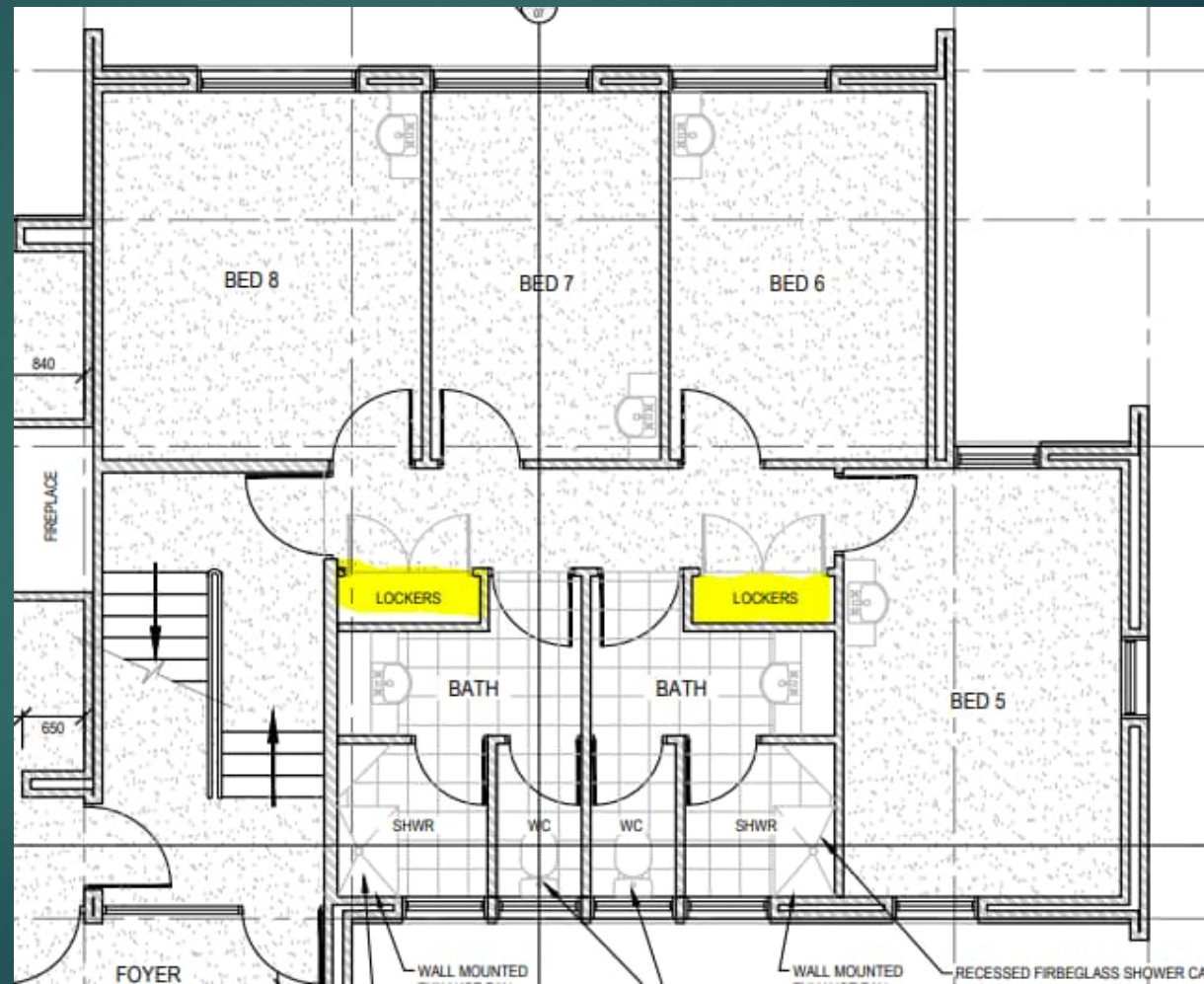
Other Development Options

- ▶ Less expensive approach would be to only do ensuites without refreshing décor or décor without constructing ensuites.
 - ▶ We feel these approaches would not be commercially sensible or supported by Members.
- ▶ Adding a third floor OR extending bedrooms out further were discussed. In 2018 very expansive options were contemplated and planned but not executed. Cost was prohibitive.
- ▶ We built Hotham for \$100,000 per bed approximately. Building costs considerably more now / renovation not new build / need to expand kitchen / storage facilities.
 - ▶ More bed capacity was not the highest priority members gave us in survey or informally.
 - ▶ Financing a \$2m+ project is challenging for this Club
- ▶ Nothing we are doing will be wasted if a future decision to expand the bedroom wing is taken and can be financed.

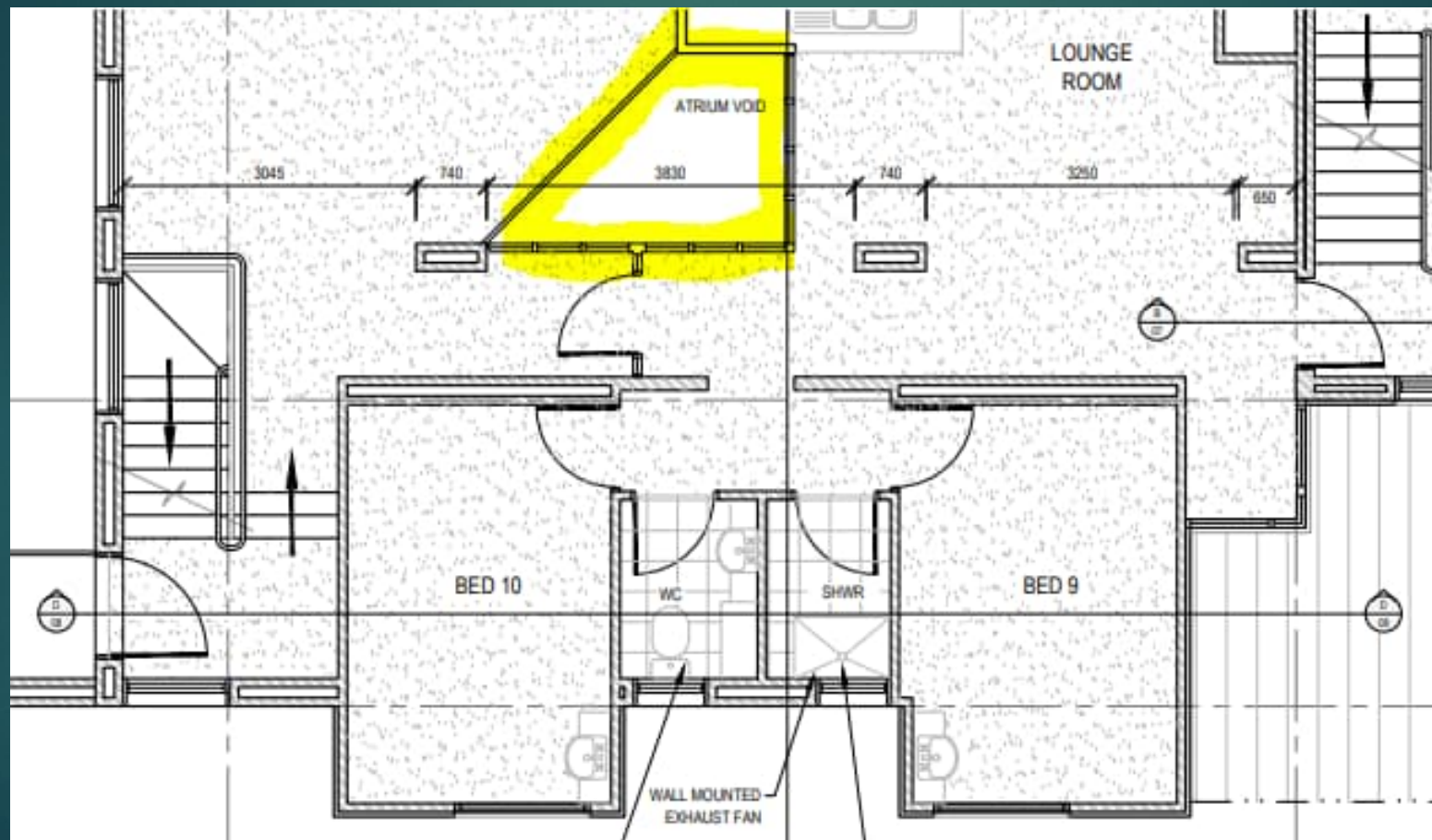
The Plans

- ▶ We engaged GMR Engineering in Shepperton.
- ▶ Glenn Ryan drew the 2009 plans, for 8 ensuites in bedroom wing – clever plan designed to minimise required demolition and construction
- ▶ Glenn is overseeing this again. This time we plan to construct ensuites for all 10 bedrooms
- ▶ To achieve this, the light well in the main living room will be enclosed
- ▶ And locker storage in the bedroom wing will be moved to the attic
- ▶ We will have option of adding one or two beds to enlarged Room 10

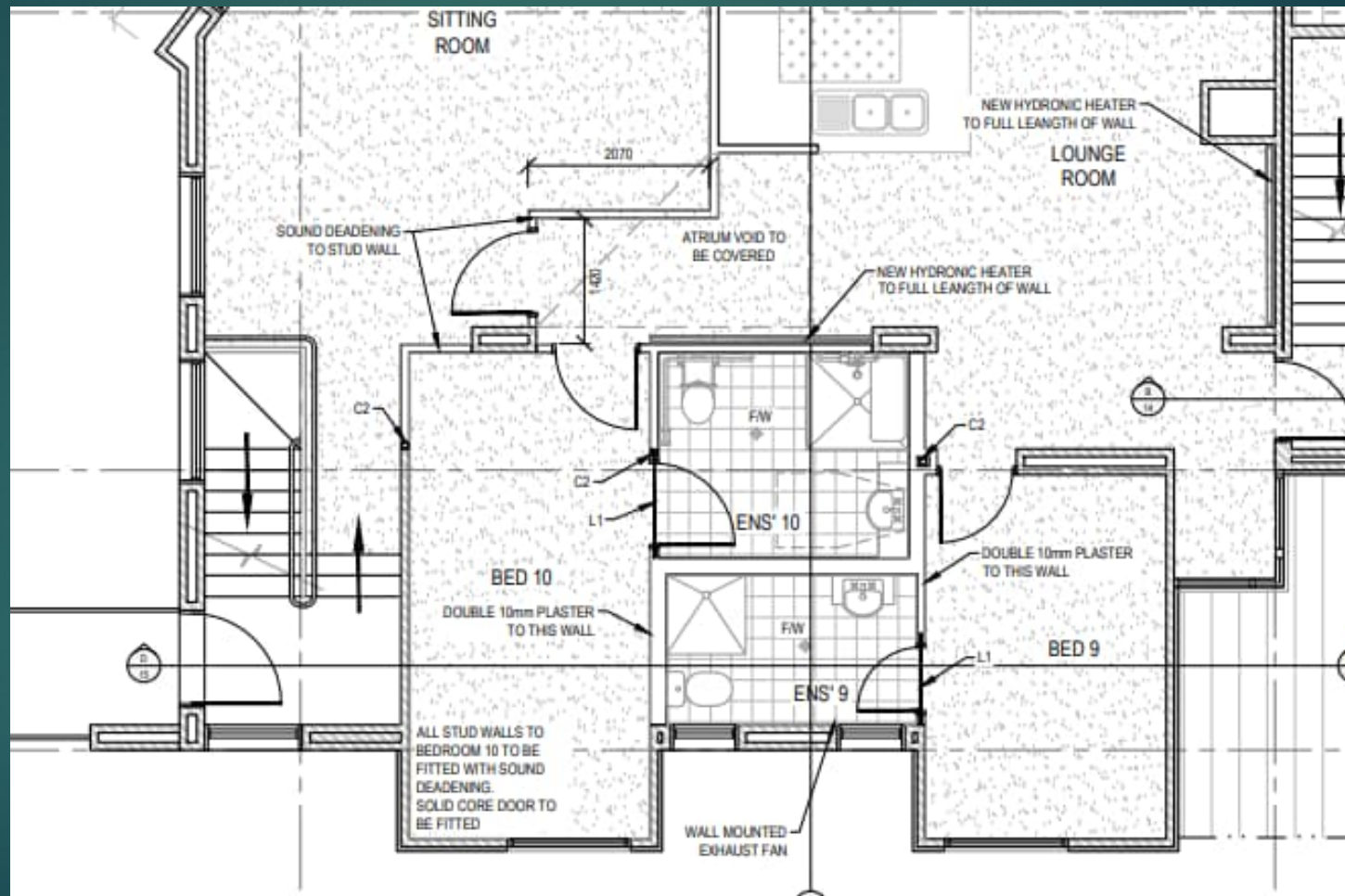
Existing Floorplan



Existing Floorplan

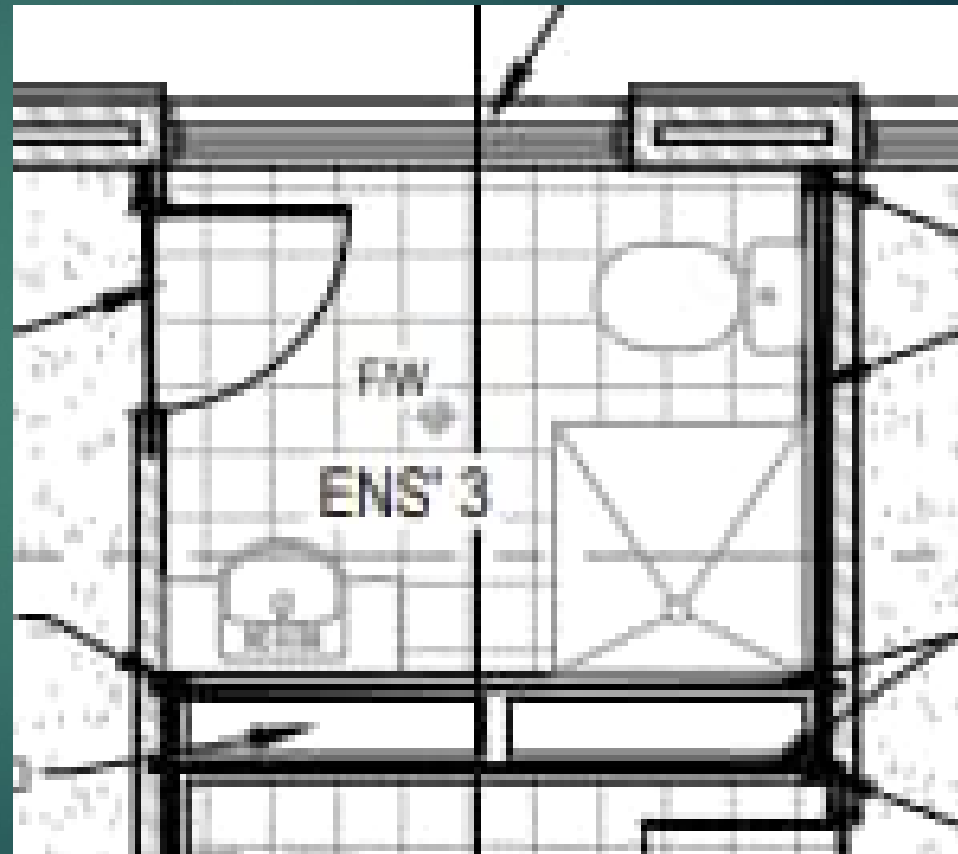


New Floorplan - Flat



New Bathroom Layout

- ▶ Bathrooms in bedroom wing
 - ▶ 2330mm by 1840mm
 - ▶ 4.28sq metres
- ▶ Bathrooms in flat
 - ▶ 2865mm by 1714mm
 - ▶ 4.91sq metres & 6.72sq metres
- ▶ Charcoal floor tiles
- ▶ Heated towel rails & floors
- ▶ Polymarble shower floor
- ▶ Chrome tapware



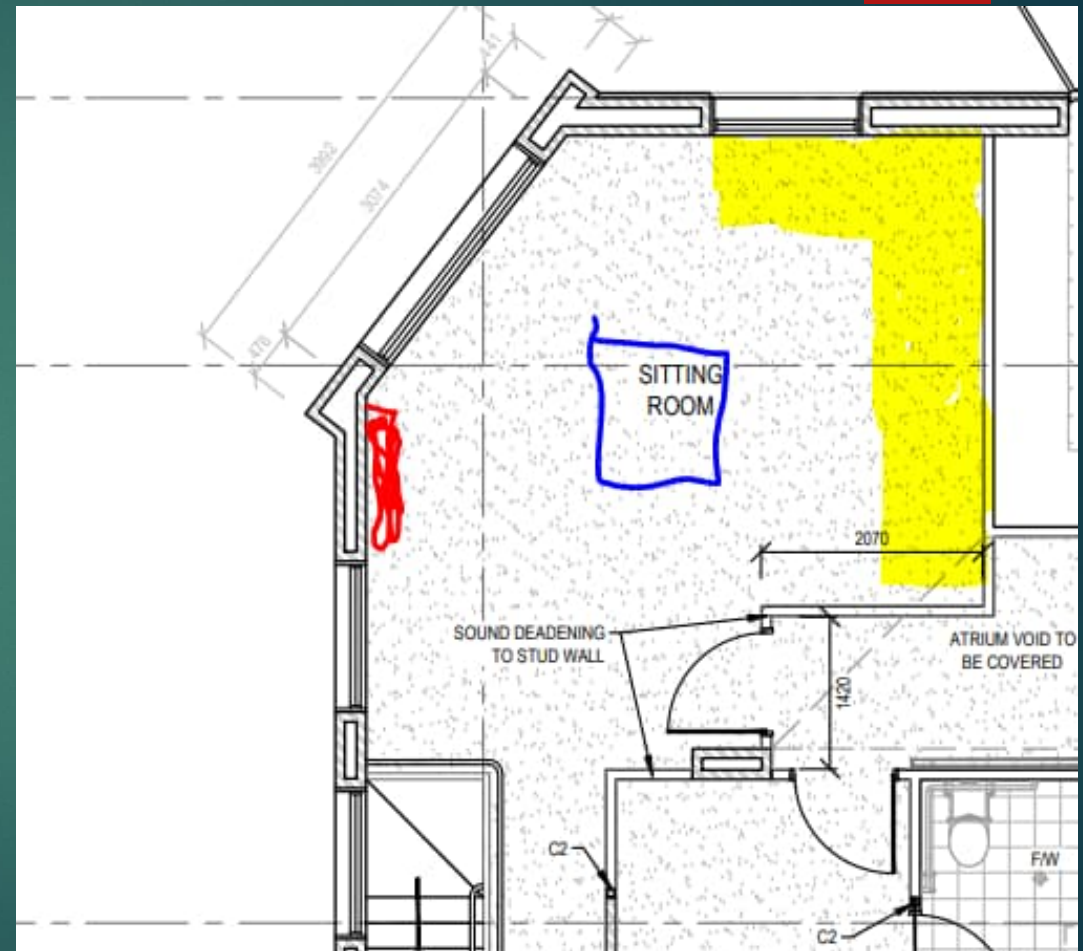
Mt Hotham Bathroom - For Reference

- ▶ Bathrooms
 - ▶ 2549mm by 1510mm
 - ▶ 3.84sq metres



Upstairs Livingroom

- ▶ Re-orient to the breathtaking views across the top of Shakey Knees
- ▶ Mount TV on the wall – in RED
- ▶ Purchase custom size corner couch – in yellow
- ▶ New table with storage drawers underneath - blue
- ▶ New carpet and blinds



Finishes – Modern, Elegant, Robust

▶ Bathrooms

- ▶ White satin finish tiled walls
- ▶ Charcoal non-slip floor tiles
- ▶ Heated towel rails & floors
- ▶ Polymarble shower floor
- ▶ Chrome tapware

▶ Bedrooms

- ▶ Paint furniture
- ▶ Add some storage under beds
- ▶ New beds where required

▶ Colours

- ▶ Colour consultant
- ▶ White walls
- ▶ Blue & charcoal accents
- ▶ Charcoal or blue carpet
- ▶ Black or charcoal roller blinds

▶ Upstairs TV Room

- ▶ New couch & bean bags
- ▶ Wall mount TV
- ▶ New coffee table and games storage

Choosing Builders

- ▶ We engaged with five builders over the past 18 months
- ▶ Very busy and uncompetitive construction market on the mountain
- ▶ Two hard quotes received. Three builders will only quote for 24/25 summer
- ▶ Programmed Property Services were materially cheaper
- ▶ We believe they are better able to deliver on time
- ▶ We have met with key people from Programmed onsite; discussed the plans room by room, action by action to get in front of detail early on
- ▶ We have reference checked the builder and feedback was consistent and favourable

The Spending

- ▶ Hard quote for construction
- ▶ Hard quote for painting
- ▶ Realistic budget for décor items
- ▶ 15% contingency
- ▶ Includes
 - ▶ Additional hot water cylinder
 - ▶ Prepare for future with comms cabling
 - ▶ Insulation wherever possible
 - ▶ Replace lights with LEDs

Project Costs			
Construction of Ensuities			\$ 688,000
Alpine Surveyors Building Permit			\$ 6,200
Interior Repaint Lodge			\$ 55,000
Re carpet Lodge			\$ 50,000
New Blinds			\$ 30,000
Furniture			\$ 30,000
Insulate Roof space			\$ 5,000
Maintenance			\$ 12,500
Comms Infrastructure			\$ 10,000
Sub total			\$ 886,700
Contingency	15%		\$ 133,005
Budgeted Spend			\$ 1,019,705
Less GST			\$ 92,700
Less Contingency			\$ 133,005
Lowest Possible Cost to Club			\$ 794,000

We Have Finance in Place

- ▶ The Club has ~\$600k of cash and will end the year with \$500k approx
- ▶ We collect subs and first round bookings in Q1
- ▶ We anticipate a funding requirement of \$350k allowing for working capital
- ▶ We can redraw our Bendigo Facility for \$344k
- ▶ Process underway with ANZ for a facility
- ▶ We have Member commitment for additional unsecured finance if required

Financing – Funding Gap

- ▶ Net Debt could peak at \$290k
- ▶ Timing of Thredbo insurance recovery a big swing factor
- ▶ This assumes all contingency is spent

Peak Funding Gap				
Opening Cash				500,000
Build cost Q1				850000
Thredbo Painting				90000
Subs				120000
Stage 1 Bookings				120000
Other Opex Q1				60000
Net Cash end Q1				-260,000
Q2 Build Costs				-150000
GST Refund				100000
<i>Thredbo Insurance Recovery</i>				<i>125000</i>
Q2 Operating Cashflow				20,000
Q2 Net Cash if Thredbo claim received				-165,000
Q2 Net Cash if Thredbo claim not yet received				-290,000

Financing Cashflow Forecast

[illegible]

One View of the Future

Koomerang Cashflow & Debt Forecasts



Debt Repayment

- ▶ We repaid Hotham \$800,000 loan in around four years
- ▶ Since then, revenues have improved particularly from Mt Hotham occupancy
- ▶ Precise forecasting of annual cashflow in Alpine environment is tricky – we have examined sensitivity to good and poor seasons / high and low capital spending
- ▶ We believe the Club can continue to fund needed capital and maintenance and repay the debt in three years
- ▶ This does not assume price increase or occupancy benefit from Mt Buller project, bumper seasons or capital starvation of other lodges

Project Management

- ▶ Sub Committee
- ▶ Assisted by James Moffat – a Member and frequent Buller Skier. James is an experienced commercial project manager with Case Mealin
- ▶ Programmed provide us with live access to project management app
- ▶ Frequent site visits

Timeline

- ▶ Approval 6 December
- ▶ Commence construction Week 2 December
- ▶ Complete construction and painting 16 weeks to end April 2024
- ▶ May 2024 install furniture, blinds, carpet and get lodge ready for season
- ▶ We will ask for your help in April & May

Questions

