

WATER RECLAMATION & TREATMENT PROJECT

Members' Brief on the Proposed Water Project Infrastructure Levy.

1. Purpose of this Paper

This paper requests members to approve the upgrade of the Club's water reclamation and treatment infrastructure, the funding required, and a category-based monthly levy to pay for it over seven years. The investment is intended to protect the golf course, improve the quality of irrigation water and secure better playing and environmental conditions over the long term.

The Managing Committee (MC) has approved this proposal at its meeting of 19th June 2026 & amendments thereof on 5th August, 2026. MC is now recommending the same to the General Body for approval. Implementation will follow the Club's Rules and Bye-Laws.

2. Existing Conditions and the Need for Improvement

The Club irrigates the course with approximately 0.75 million gallons of partially treated wastewater every day. The existing treatment plant is hydraulically overloaded and does not treat effectively. Testing has found elevated levels of biochemical oxygen demand (BOD), chemical oxygen demand (COD), total dissolved solids (TDS) and suspended solids, all of which indicate inadequate treatment.

The consequences are visible: persistent foul odour, declining turf quality, rising soil salinity, environmental concerns and reputational risk. Improving treatment capacity and performance is essential to preserving the course and the quality of members' golf.

3. Proposed Solution and Benefits

An independent technical assessment by Hisaar Foundation (approved Project Consultant hereinafter referred to as 'PC') recommends installing a modern Sequencing Batch Reactor (SBR) system with tertiary treatment, and rehabilitating the existing infrastructure. An SBR treats wastewater in controlled batches where tertiary treatment polishes the water further before it is used for irrigation. The project aims to:

- Bring irrigation water quality up to the standards of the Sindh Environmental Protection Agency (SEPA) and applicable international standards.
- Eliminate the persistent odour and improve environmental conditions.
- Improve the turf, greens, fairways and overall playing conditions.
- Provide a healthier and safer environment for course staff, golfers & caddies.
- Raise member satisfaction and support the Club's ability to host national and international tournaments.
- Protect the course, surrounding communities and the environment over the long term.

The proposed scope of services for supply and installation by Hisaar Foundation are outlined as per Annexure 'A'.

4. **Timeline and Expected Life**

The technical assessment gives an implementation period of 8–10 months and a design life of 15–20 years. The project design, installation and commissioning will be completed in Year 1 whereas the levy will be collected over 7 years. Work is expected to begin within 3 months of General Body Approval.

5. **Funding Requirement**

Component	Amount (PKR Mn)
Base water project provision	230.00
Project Management Fee of Hisaar Foundation	5.00
Out-of-pocket / travel provision	2.50
Variance provision (5% of base provision)	11.50
Subtotal: Project and Associated Provisions	249.00
Projected funding cost for use of Clubs own Funds	86.2
Total Projected Funding Requirement	335.2

The Club will need to meet project expenditure within Year 1 of commencement while levy collections run over seven years. This will be done with a combination of using ongoing year cash flows as well as a drawdown of a significant portion of Club investments, whose returns in normal circumstances contribute significantly to Club running expenses. There can be potential cost over runs depending on the situation going forward and availability of equipment & materials. PC has recommended keeping a 10% variance margin whereas MC for the purposes of the initial estimates has kept it at 5%.

6. **Proposed Monthly Levy**

The Club as of the date of Management Committee approval on September 25, 2026 had 1,934 members in four categories. The levy applies to 1,760 members in Categories A, B and C whereas the 174 members in Category D are exempt. Details provided as per Annexure 'B'.

Category	Members	Monthly levy per member (PKR)	Monthly collection (PKR Mn)
A	484	3,450	1.67
B	475	2,450	1.16
C	801	1,450	1.16
D (exempt)	174	Nil	Nil
Total	1,934	—	3.99

The levy will be billed in Member accounts in the month immediately following approval by the General Body.

7. **Collection Period and Projected Recovery**

Item	PKR (Mn)
Monthly levy collection	3.99
Annual levy collection	47.94
Collection period	7 years
Total collection over seven (7) years	335.6
Total projected funding requirement	335.2

These projections assume that membership numbers and levy rates stay as scheduled and that every amount is collected. Actual recovery may differ as new members may be added to the Club Membership whereas a normal attrition or conversion into other categories will be ongoing as per Club Rules.

In addition, any project over runs will have to be covered by the Club Funds. Further, projected funding costs of Clubs own funds have been assumed at certain investment avenue rates which may be below the rate environment assumed over 7 years.

8. **Disclosure of Levy Collections & Project Expenditure**

Annual Levy collections will be disclosed in half year and annual accounts of the Club which are circulated to the members.

Once the project is completed within the stipulated time frame of a year, the members will be apprised of the total project expenditure along with the next half year or annual (as the case may be) accounts of the Club.

9. **Proposal Before Members**

Members are requested to consider the project and its funding, including the monthly levy of PKR 3,450 (Category A), PKR 2,450 (Category B) and PKR 1,450 (Category C), the exemption of Category D, and the seven-year collection period. Approval and implementation will follow the Club's Rules and Bye-Laws.

10. **Resolution: Water Project Levy**

'Resolved that' the General Body approves the proposed Water Infrastructure Levy to finance Karachi Golf Club's Water Reclamation & Treatment Project and related infrastructure, based on a projected funding requirement of PKR 335,190,988, at monthly rates of PKR 3,450 for Category A, PKR 2,450 for Category B and PKR 1,450 for Category C, with Category D exempt, for a period of seven years.

'Further Resolved that' the said Levy will be billed to member accounts starting in the month following the General Body Approval.

PROPOSED SCOPE OF SERVICES - SUPPLY AND INSTALLATION

The supplier/contractor/consultant shall undertake the following:

1. Tendering and Bid Evaluation.
2. Design and planning phase.
3. Top level supervision of installation.
4. Testing and commissioning.
5. Inspect the site and confirm technical requirements.
6. Supply materials, machinery and equipment according to approved specifications.
7. Arrange transportation, unloading and safe storage.
8. Provide labour, tools and supervision for installation and necessary connections.
9. Test and commission the system to ensure satisfactory operation.
10. Train Club staff and provide operating and maintenance manuals.
11. Provide agreed warranties and rectify defects during the warranty period.
12. Clear the site, restore affected areas and hand over the completed works.
13. Reporting and coordination.
14. Handover and project closeout.

CAPITAL EXPENDITURE FOR WATER PROJECT

Project	Projected Cost
Water Project (100% Sharing)	Rs. 249,000,000 (Rs 230 Mn + Rs 5 Mn (Hisaar) + Rs 2.5 Mn (OOP/Travel) + Rs 11.5 Mn (5% Variance)
Project Funding cost for use clubs own funds	Rs. 86,190,988
TOTAL	Rs. 335,190,988

KARACHI GOLF CLUB LEVY TO MEMBER

S.NO	CATEGORY	MEMBERS	LEVY MEMBERS (Rs.)	PROJECTED LEVY MEMBER PER MONTH
1	Corporate	21		
2	Diplomat	2		
3	Temporary	425		
4	Temporary - Foreigner Temporary	3		
5	Gratis Temporary	33		
	Category A	484	3,450	1,669,800
6	Permanent	150		
7	Gratis Permanent	2		
8	Veteran Temporary	114		
9	Gratis Veteran Temporary	5		
10	Lady Temporary	30		
11	Veteran Permanent	157		
12	Lady Permanent	6		
13	Lady Veteran Temporary	8		
14	Lady Veteran Permanent	3		
	Category B	475	2,450	1,163,750
15	Naval Permanent	3		
16	Naval Temporary	198		
17	Veteran Permanent Senior	298		
18	Veteran Temporary Senior	81		
19	Patron	4		
20	Corporate Life	17		
21	Special Retired Veteran Temp. Senior	9		
22	Special Retired Veteran Perm. Senior	6		
23	Gratis Veteran Temp. Senior	1		
24	Gratis Veteran Perm. Senior	2		
25	Lady Veteran Temp. Senior	2		
26	Lady Veteran Perm. Senior	1		
27	Special Retired Temporary	73		
28	Army Temporary	15		
29	Air Forces Temporary	18		
30	MEO Temporary	3		
31	Special Retired Permanent	17		
32	Special Retired Veteran Temp.	35		
33	Special Retired Veteran Perm.	18		
	Category C	801	1,450	1,161,450
34	Patron in Chief	8	-	-
35	Honorary Member	6	-	-
36	COMKAR / President	17	-	-
37	Widow	143	-	-
	Category D	174	-	-

Monthly Collection

Annual Collection

The cost coverage period is seven years

-	-	3,995,000
-	-	47,940,000
1934	-	335,580,000

Number of Members to be Charged Levy

1,760

Number of Member not to be Charged Levy

174

Average Levy Per Month / Member

2,270