



Dear Members,

Two informational sessions concerning a proposed irrigation system for the Club's golf course were offered on Thursday and Friday of this week. Thank you to those members who attended these meetings. Jay Foster, Chairman of the Buildings & Grounds Committee presented details of a potential irrigation system and Peter Van Alstine, Treasurer, presented a plan for how the system would be paid for. If you were not able to attend one of the sessions, the handouts distributed during the meeting are now posted in the "Members" section of the Club's website under the heading "Golf Course Updates". The latest postings include:

Introductory Comments by Bill Freeman, President

Executive Committee questions asked during a visit to the Rockland Golf Club

MGC Irrigation System Proposal

MGC Actual Historical, Budget and Projected Financial Report

MGC Cash Flow (FY 17, FY 18, and FY19)

Operating Account 10/31/16, FY 17, 18, 19

Megunticook Golf Club Fees

These documents are confidential for club members only. Please do not share.

The purpose of the informational sessions was to solicit input from all club members on the proposed Irrigation System. Members of the Executive Committee have not yet discussed the proposal but will be doing so during their regularly scheduled July meeting. The Executive Committee will decide whether or not to recommend approval of this proposal to the Governing Board. In accordance with Club Bylaws, the Governing Board has the ultimate responsibility for the approval or denial of this capital expenditure.

Highlights of the Proposal:

Estimated Project Cost - \$475,000 -includes construction of a retainer pond located in front of first tee, reconstruction of the 4<sup>th</sup>Green, installation of Toro Infinity System which includes 162 sprinkler heads covering the tees, greens and fairways, pump house/with distribution water pump for the system, and new pumps for existing pumps in wells currently located on #2 and #7 fairways.

Payment Plan - The plan for paying for the irrigation system does not include a member assessment however does include a \$100 increase in member dues during 2018 and 2019. A \$150,000 line of credit extending four years has been negotiated with the Camden National Bank at a guaranteed rate of 5% for the length of the loan. The plan indicates using \$120,000 of the line of credit and paying off the entire loan in less than two years (2020) from date of borrowing.

Schedule - If the proposal is approved by the Governing Board, the pond and reconstruction of 4<sup>th</sup> Green would take place during Fall 2017 and the installation of the irrigation system in Spring 2018 with anticipated completion date

July 2018. The golf course would not be closed during the installation of the irrigation system but rather one hole would be closed at any given time as the installation moves from one fairway to the next.

The genesis of this proposal for an irrigation system is based on the comments the Executive Committee has received from many members who believe the golf course continues to deteriorate due to the lack of water needed to sustain the healthy growth of grass on the course. The Buildings & Grounds Committee has been developing this plan for the past 10 months.

The objective of the proposed irrigation system is to upgrade the current golf course conditions. The future well-being of Megunticook Golf Club is dependent on attracting new members. If the club is to be successful in attracting these new members, it must have tennis and golf facilities that provide a enjoyable experience for members.

The proposed plan is designed to (1) install the irrigation system quickly so that golfers may enjoy the improved conditions sooner rather than later, (2) avoid a member assessment which can be seen as a burden on members of the club that do not play golf, (3) incur no long-term debt and (4) keep tight control on other capital expenditures during the next two years.

Please feel free to inquire about additional details of this proposal.

Thank you,

A handwritten signature in black ink, appearing to read "Bill Freeman". The signature is written in a cursive, flowing style.

Bill Freeman

President