



COUNTRY CLUB ESTATES GOLF COURSE

WATER TOWER UPDATE PROPOSAL

As you all know, the water tower has been in disrepair for years. It is used for the golf course irrigation, it currently needs a new roof and the inside lining needs fortifying. We have checked with a few companies and it would cost in excess of \$50,000 to repair. It is not fiscally responsible to put any more money into it. According to Article V of the CCE By-Laws, the Board may not execute any contract exceeding \$25,000 without it first having been approved by the members of the corporation. We come to you asking for your approval of the following proposal to eliminate the water tower and run off our well and pump. We feel this is our best option moving into the future. Our well is healthy and in good shape according to a report from Layne Christensen Company dated February 5th, 2015

We, the CCE Board of Directors, propose to upgrade the existing well pump from a 25 HP submersible pump to a 40 HP, 3P, 460V submersible pump. Remove everything past the well head and completely rebuild to include connecting to the existing drop pipe outside the building. We would also add a 4" back flow preventer to protect the ground water supply. Cost of upgrading to this system is \$85,000 which includes new starter controls. The benefits of this system are many. More horsepower provides better performance during periods of heavy use. This will eliminate the need for additional booster pumps that are used with our current system. This system would have the ability to start itself on common alarm conditions, as well as historical performance review and remote monitoring. In basic terms, it's newer, more efficient, and will last many years longer than upgrading the current system. Obviously, the biggest benefit would be to get off of using the water tower, which could fail us at any time.

The Board is proposing to take half of the expense of this option from the cash reserves and finance half at the Walworth State Bank with a 5 year note. It is the intention of the Board to pay down the debt as soon as possible and build the reserve back up. Structuring it this way would mean **"NO SPECIAL ASSESSMENT TO PROPERTY OWNERS" TO FINANCE THIS PROJECT.** With that said we are looking for your approval to move forward with this initiative. Please mark the ballot on your proxy vote to approve this project and allow us to move forward.

Sincerely,

CCE Board of Directors

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