

Special Meeting information

The Board of Trustees is calling for a special meeting for the purposes of seeking approval from the owners at that meeting to borrow money to purchase land adjacent to our current well field for the Association.

Saturday, September 23rd, 2017 at 10:00 a.m. at the Lake Wenatchee Rec club.

As stated in the main letter, the board is seeking approval from the owners at the regular and "special" owners meeting to be held on Saturday, September 23rd at 10:00 a.m. at the Lake Wenatchee Rec Club to borrow \$123,500 to purchase land adjacent to our current Chiwawa well field. We currently get 95% of our water from this well field.

The cost of the land is \$190,000. It is two parcels totaling approximately 11.4 acres. The current owner would like to close by the end of 2017. We have interest from Coastal Community Bank to help us with financing. The loan term would be three years; however the association may be able to pay off the loan in two years. The Association would borrow \$123,500 and pay \$66,500 cash at closing.

Below is list of pros and cons concerning this issue. Please feel free to contact any board member or the Association directly if you have any comments, concerns or questions on this issue.

Pros

Well field protection: The Association currently has three wells on land bordering the south end of parcel number one. From past research, we know that the aquifer feeding these wells runs directly down the middle of this parcel. The Association currently has an agreement with the land owner: In exchange for part of this land so we could drill the two newest wells, the agreement allows the land owner to build up to six lots. The Association would incorporate these lots into the Association and provide water to them. If the Association owned the land, this agreement would be void.

Limited growth: Our area is growing fast. More and more people are moving here full time and also building second homes at a record rate. Providing open, green space where no development would take place increases the quality of life as well as the property values for the land owners. This parcel has over 500 feet of Chiwawa riverfront access.

Added value to the Association: This is a direct value to the Association and would be there for years to come if for some unknown reason future owners needed to use it. The current designation is RW, Rural Waterfront. We would change this designation to un-plotted land, as is the Association land on the Wenatchee River, and therefore not have to pay any yearly taxes on this property.

No raise in assessment: The current budget for 2018 has approximately \$95,000 in it for meter installation. Since we are done with this project, these funds would be used to pay off the loan. There will be no raise in assessment to the owners.

Cost savings: if the current agreement is activated by a new land owner, the association would be responsible for providing water service for up to 6 lots on the land. Owning this land would save the association thousands of dollars.

Cons

Loan: The Association would need to borrow \$123,500 to be paid off in two or three years. The Association would pay \$66,500 cash at closing.