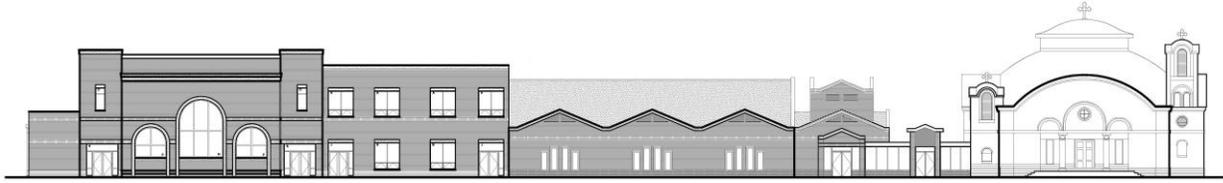


Phase III Communication Newsletter



Greetings!

Phase III has been a hot topic over the past few years. We are very excited to provide an update on the expansion project. There have been many questions and concerns surrounding Phase III and we are committed to sending out updates as the project becomes a reality! Our Phase III committee has worked diligently to review all construction options for completion of our much needed expansion in a manner that does not put an unsustainable financial burden on the community. This is the first of many Newsletters to come to keep everyone informed of the status of our project. Please read the Q&A below and as always Thank you for your continued love and support!

What is the current Status of Phase III?

Phase III is in the Value Engineering and Contractor selection stage. When the original bids came in, they were well above what had been approved by the General Assembly for the expansion project and beyond what we could responsibly accept. So months were spent painstakingly discussing with the architect and all the general contractors, ways (including modifying the scope and phasing the work) which might reduce the cost. Additionally, we have been discussing with some sub-contractors, ways in which their potential donated work would best benefit the community. These efforts have allowed us to trim close to \$1,000,000 off of the overall costs compared to the average initial bids.

Why has the process taken so long?

The process of interviewing/vetting contractors, soliciting and comparing bids is inherently lengthy. In addition, this process was repeated several times with different parameters in order to identify the most cost-effective options. In the meantime, the construction market has improved considerably (from the perspective of the contractors) and often this means the bidders are quite busy, taking a good deal of time to respond. All of these circumstances combined to make a very lengthy process.

When do we plan on breaking ground?

We are currently evaluating our options with the goal of a groundbreaking ceremony and starting construction prior to our annual Food Festival in July and completion of the initial construction within one year. For additional information, we will be hosting an information session to be announced soon.

What is the cost of the project?

The project cost has yet to be finalized as we continue to evaluate our options. The initial bids were in the range of \$6,500,000 to \$7,500,000. Our planning, review and value engineering efforts have allowed us to phase the project in a manner where the initial expansion will most likely cost less than \$5,000,000.

How much money has been collected and how much has been pledged?

\$2,479,612 has been pledged, \$1,276,825 of the pledged amount has been collected.

Is the new construction layout the same as originally proposed?

The footprint of the multi-purpose building is the same as was originally presented. We are only doing the multi-purpose building now, the existing community center is not in the scope at this time. We may be doing some prioritizing in what is called "phasing" of the work to save money. We are building according to the funds we have available.

What will the amount of the loan be and what will be the monthly payments on the loan?

We are bound by the decision of the General Assembly to limit the mortgage to no more than 40% of the construction cost. It is the committee's goal to have a mortgage much lower than that. We are hoping to keep the mortgage at no more than \$1,000,000.00