

Additional Land Purchase Opportunity for RBGC

On 6/27/18, the club was contacted by a local landowner and offered the opportunity to purchase 50+ additional acres of land along our north eastern and eastern border. I have spoken with the landowner / seller briefly on two occasions and have told him that the club is very interested in his offer. The seller mentioned a tentative price of \$10,000 per acre but this price has not been finalized or agreed to.

The Board of Directors (BoD) met in Executive Session after the monthly BoD meeting was concluded on July 9, 2018. All but one BoD member was present. During the Executive Session, I made a brief presentation to the BoD and described the specific parcel of land that has been offered for sale. I also provided Dawson County tax value information for RBGC property and surrounding properties and I reviewed options available to raise money with which to purchase additional land.

This situation provides the following opportunities for RBGC:

1. The club can raise the funds necessary to purchase up to 50 additional acres that will provide an additional buffer for club property, will increase the value of club holdings by adding additional acreage and provide land for additional range development.
2. The seller can sell his land to a developer who will eventually build and sell homes. These homes may be built close enough to club ranges that the homeowners initiate noise complaints and noise and safety related litigation. While one may observe that the club is “grandfathered” or that it is “protected” by certain state laws, the threat of litigation and harassment from local homeowners is real and would be expensive to litigate against. The threat of losing the club is also real.
3. The seller may be unable to sell his land or may change his mind. However, the seller is an older gentleman and the land he owns next to the club will eventually sell. The key question is; will the club have the opportunity and resources to purchase when it does eventually sell?

All of these possible outcomes were discussed during the Executive Session. A motion was made, seconded and approved by unanimous vote to proceed with the land purchase. A motion was made, seconded and approved by a 5 in favor, 2 against vote to sell additional life memberships at \$7,500 each to raise money for the land purchase.

The motion to proceed with the land purchase does not mean that a BoD member or I will purchase any land without many more BoD meetings and a great deal of additional discussion and thought. The RBGC By-Laws require that

the life members approve any loans in excess of \$10,000 and the BoD will have to convene a Special Meeting and request their approval if we want to initiate a real estate loan in excess of that amount. No one on the BoD wants to use the club's existing land as collateral for a loan and no one on the BoD wants to place the clubs existing property in jeopardy.

The approval of the motion to sell additional life memberships to raise funds does not mean that the BoD will begin selling life memberships immediately and it does not mean that the BoD plans to upset the delicate balance of life members to annual members with a wholesale distribution of life memberships. 23 additional life memberships is the number that was proposed in the Executive Session presentation. If the BoD sold 23 additional life memberships, it would increase the total number of life memberships from 127 to 150. If sold for \$7,500 each, the current price of life memberships assigned by the BoD, 23 life memberships would generate \$172,500. When combined with the \$70,000 Capitol Reserve Fund that is already available, this would provide \$242,500 with which to purchase additional acreage.

Every person on the BoD wants to do what is best for the club and the members. We want to do what is best for all the members, life members and annual members, alike. There is no other agenda involved. Many more meetings and much more detailed discussion must take place before a single additional life membership is sold or a single additional acre of land is purchased. The BoD will probably have to convene a Special Meeting to brief the life members and gain their approval prior to the actual purchase agreement being signed. Right now, we are at the very beginning of a long process with many steps to be taken before action is initiated.

Will Owensby
Club President