SUNRIVER OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
SROA BOARD ROOM
April 20, 2019

DIRECTORS PRESENT: Bob Nelson, Jim Fister, Jackie Schmid, Brad Skinner, Keith Mobley
Jim Adams & Richard Wharton

DIRECTORS ABSENT: Gary Bigham & Mike Gocke

STAFF: Hugh Palcic & Susan Berger

OWNERS IN ATTENDANCE: 7

The Board of Directors meeting was called to order at 9:00 am by President Nelson.

Owners Forum: Lee Stevenson, 21 Wallowa Loop, invited the SROA Board to join in Project Ponderosa’s potting event at Lake Penhollow scheduled on the 25th of April. Mr. Stevenson also recommended that SROA update its ladder fuel reduction plan with an emphasis towards transitioning Sunriver’s forests from Lodgepole Pine to Ponderosa Pine.

Pat Hensley, 5 Vista Lane, with consideration for the complexities surrounding large-scale construction projects, Ms. Hensley urged the SROA Board to consider increasing the planned contingency for the North Pool Complex projects.

NOMINATING COMMITTEE ANNOUNCEMENT OF 2019 SROA BOARD CANDIDATES

Nominating Committee Chair Laurence MacLaren was in attendance and was happy to report there are seven owners who are running for three available vacancies on the SROA Board of Directors for the 2019 election. Mr. MacLaren explained the process the committee used and noted it was a true committee endeavor finding and selecting potential candidates. Mr. MacLaren then announced the following alphabetical list of candidates and provided a brief background on each one:

Gerhard Beenen
Mark Burford
Paul Conte
Amanda “Mandy” Gray
Clark Pederson
Roger Pondel
Randy Schneider

Short bios of each candidate will be included in the June issue of the Sunriver Scene and a matrix of questions and answers will be included in the July issue. The election ballot will go out in the USPS mail on July 11 and must be returned by noon on Saturday, August 10, 2019.

President Nelson commented on the terrific job that Mr. MacLaren and the Nominating Committee have done and thanked them for their efforts this year in identifying this slate of candidates.
Mr. MacLaren noted his appreciation for the SROA staff support and assistance received, especially from HR Director Leslie Knight, throughout the process. President Nelson noted that Mrs. Knight is a non-voting member of the committee.

**OWNER FORUM FOLLOW-UP FROM PREVIOUS MONTH’S MEETING**
Vice President Wharton reported staff followed up on Debbie Wightman’s concern from last month about how the Property for Sale Inspection process works and there was no other follow-up necessary.

In response to Ms. McCabe’s inquiry yesterday relative to Mary McCallum Park, some improvements including an upgraded portable restroom, designated handicap parking, paving part of the parking area and paving a path from the parking lot over to the Pavilion and from the Pavilion on over to the tables by the river will hopefully be completed prior to the July 4th holiday.

**RECAP OF APRIL 19TH BOARD WORK SESSION**
President Nelson reported the Board held their yearly joint meeting with the Sunriver Service District Managing Board yesterday. This yearly meeting provides an opportunity to share information and observations on items of mutual interest. The meeting went very well with a lot of active participation between the two Board’s and staff members present.

In the afternoon, the SROA Board held its monthly work session and heard a presentation from representatives from McKenzie Architects and Anderson Pools on the concept for improvements to the North Pool Complex. The Board held a discussion on the proposed ballot measure language, heard an update on the Admissions Model Work Group from Assistant GM Kessaris, received an update on the Abbot/Beaver project and held a discussion on proposed changes to the SR Design Manual of Rules. The Board also held discussion on the proposed changes to the Nominating Committee charter and reviewed the agenda for today’s meeting. The Board held an Executive Session to discuss a legal matter.

**ACTION ITEM MINUTES**
President Nelson asked for a motion to approve the minutes of the March 15, 2019 SROA Board Work Session.

**Director Wharton moved to approve the minutes of the March 15th Board Work Session as written.**
Seconded by Director Mobley, motion passed unanimously.

President Nelson asked for a motion to approve the minutes of the March 16, 2019 SROA regular Board Meeting.

**Director Wharton moved to approve the minutes of the March 16th Regular Board Meeting as written.**
Seconded by Director Fister motion passed unanimously.

**FINANCIAL**
Assistant Treasurer Mobley, who is filling in for Treasurer Gocke this month, noted how much he has enjoyed being on the Finance Committee and how appreciative he is for the “Meeting Owl” technology being used to allow non-resident members, such as himself, of that committee the opportunity to attend the meetings in a more meaningful way that just via a conference call setup. Mr. Mobley also commented on Controller Joe Healy’s skill and attention to detail as it relates to the Association’s finances.

Mr. Mobley referenced Controller Joe Healy’s March 2019 report, noting at the end of March there was a net operating surplus of $139,579 which was $37,627 better than budget. Total revenues were over budget.
by $60,200 mainly due to insurance proceeds from the wind storm and the settlement from Bend Broadband (TDS) for the underpayment of ROW fees which is helping to offset some of the labor expenses that resulted from the wind event in January and the snow event in February. Recreation Plus Program revenues continue to trend ahead of budget. $543,287 has been spent on the Abbot/Beaver Circle and road projects through the first three months of 2019.

Total assets as of March 31, 2019 were $33,242,533. Cash and investments totaled $15,885,628, a decrease of $183,786 from February. As of March 31, 2019, there was a total of $12,017,000 invested in short-term Treasury Bills. Accounts payable increased by $224,250 from February due to timing of contractor payments related to the Abbot/Beaver project.

March 31, 2019 (Unaudited)  

<table>
<thead>
<tr>
<th>Description</th>
<th>Actual</th>
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<tr>
<td>TOTAL REVENUE</td>
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<tr>
<td>TOTAL EXPENSES</td>
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<tr>
<td>OPERATING FUND SURPLUS</td>
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Director Fister moved to approve the unaudited financial statements for March 2019. Seconded by Director Wharton, motion passed unanimously.

**GENERAL MANAGER’S REPORT**

GM Palcic discussed his General Manager’s March 2019 Activity report. He reported that work is now complete on the OPUC water company sale with filed testimony and joint stipulation complete. The GM and Board President Bob Nelson met with the CEO and Vice President of the new water company to discuss future goals and community vision. Turn over to the new company will occur in June.

Staff and McKenzie Architect representatives held two listening sessions in Sunriver to provide and opportunity for owners to provide their input on the proposed improvements to the North Pool Complex. Additionally, staff prepared draft ballot measure language regarding the potential renovations and improvements for the North Pool Complex.

GM Palcic referenced the future of the Pacific Crest event noting that staff members have taken a facilitator role in trying to determine what exactly are the issues at hand and how might they be resolved. All parties involved are now having productive dialogue in working towards a solution that works well for all involved.

Staff helped process and facilitate a number of contracts and agreements for the new tunnel fabrication and installation, waterline relocation, electrical relocation, communication relocation (fiber/phone) and high-pressure gas bore and installation associated with traffic intersection and new tunnel project.

The Accounting Department continues to work on the conversion to the Jonas software and all that entails. Controller Healy has also been assisting the Sunriver Service District with their 2019/20 budget. Controller Healy has also kept busy working with the insurance companies on the wind and snow related claims.

The IT staff met with Bend Broadband (TDS) on the four-year technology upgrade deliverables, per our current contract with them. Backup software has been installed on servers and staff continues to assist with the Jonas accounting software install. The Telecommunications Infrastructure workgroup has been meeting on a regular basis and are working on the draft RFP for a consultant.
In Communications, advertising revenue for the April Scene was $18,212, a decrease of $1,400 from the year prior.

In March, the SROA website was visited by 20,711 users, an average of 690 people per day. The most popular pages: weather, welcome page, tree markings/flagging, resource center and North Pool renovation project. There are currently 2,616 activated owner accounts. Work continues on the new website which will be launched in the fall.

The SHARC website was visited by 6,400 users with the most popular pages being admission, rates and hours, outdoor/indoor pool and winter tubing. It was noted that 70% viewed the site on a mobile device.

The Sunriver Style website was visited by 1,600 users with the most popular pages being pathways, weather and what’s going on.

The Sunriver Tennis website was visited by 350 users with the most popular pages being Sunriver Solstice, events, facilities and clinics/lessons.

Communications Director Susan Berger has spent a good deal of time working with Natural Resources Director Patti Gentiluomo, Fire Chief Tim Moor and Police Chief Cory Darling to create the new emergency website; www.sunriveremergencyinfo.com. One of the many things included on that website is the instructions to sign up for emergency alerts via text message. Simply text 888777 and enter sralerts to receive emergency alerts sent out via the Everbridge system. GM Palcic thanked Susan for her efforts on this project and complimented Mrs. Berger on the great job she did and is doing in keeping this new site current, educational and informative.

The Community Development Department staff is preparing survey packets for the Design Committee members to use in this spring’s annual paint survey evaluation. Assistance is being given by a painting contractor to aid in educating the members about what to look for as to paint conditions when conducting their survey.

A draft RFP for the consulting architect position has been developed and will be posted in April.

Submittal and construction activity continue to be strong in the department.

The Natural Resources Department staff prepared and mailed Ladder Fuel Reduction non-compliance advisories. Staff also prepared and mailed Ladder Fuel Reduction courtesy letters. Natural Resources Director Gentiluomo attended the Oregon Emergency Preparedness Workshop and the Wildland Urban Interface Conference. Staff responded to a good number of phone calls and performed numerous site visits to individual properties. Planning continues for the upcoming Arbor Day events in April.

The Public Works Department has been extremely busy with wind and snow damage cleanup. There is a dedicated crew working on nothing but roadside pick-up and chipping each day of operations. Crews hope to have all roadside blowdown completed by the end of June. Crews also removed snow from around 200+ fire hydrants in the community.

Fleet staff members Dan McLaughlin and Albert Rodriguez both spent a week in emergency vehicle training and testing, necessary for them to work on the SSD (Sunriver Service District) vehicles.

The Abbot/Beaver project has consumed a great deal of Public Works staffs time and as was previously reported, the project is moving along smoothly.
The Recreation Department held a very successful quarterly full-time staff meeting with good participation and directives given for creating Recreation Department Mission Statement and Core Values.

March resulted in another successful month of swim lessons being full. Additionally, the Aqua Fitness class, held in the lazy river while there was still snow on the ground, had the most participants ever with 16.

A lifeguard class was held over spring break and we hired four new guards stemming from the class. Finding and retaining the optimum number of lifeguards we need is the biggest challenge the Recreation Department faces every year, so this is great news indeed.

The Turf Tunes and Uncorked bands are all booked for the summer season. We have ten wineries and six non-wine vendors booked so far for this year’s Uncorked event.

Copies of GM Palcic’s entire report were included in the Board binders.

LIAISON AND COMMITTEE REPORTS
Copies of the minutes received from committees who met last month were included in the Board binders.

SUNRIVER SERVICE DISTRICT (SSD) REPORT
Director Fister noted the recent change to the Image Trend format for the monthly Fire Department report and added that per the agreement in place, we received mutual aid three times and gave mutual aid six times in the past month which is a good ratio and about what we can expect to see.

Director Fister encouraged everyone to sign up for emergency alerts for Sunriver by simply texting sralerts to 888777 which will hook one up to Deschutes 911. It was noted that both the Fire and Police chiefs have the ability to push messages when necessary. This is a great tool for both owners and visitors to take advantage of.

New Police Officers Taylor Ross and Justin Ciampi have both graduated from the Police Academy and are now on duty. Director Fister commented that they are both terrific additions to the force. The department is still down one officer with the departure of Kasey Hughes and they hope to have that position filled by summer. Additionally, one sergeant remains on administrative leave and that situation is still on-going.

Director Fister thanked SROA Controller Joe Healy for his excellent assistance in the development of the SSD 2019/20 fiscal year budget. The preliminary budget will go to the Deschutes County Commissioners for approval in May. There may be a few minor adjustments necessary but otherwise it is pretty much complete. Projected revenue is $5.25 million and expenses are projected at $4.7 million with a robust contingency and no rate increase necessary to owners.

Copies of the approved minutes from the February 14th SSD Board meeting were included in the Board binders.

BOARD ACTION
COMMITTEE & BOARD ACTION REQUESTS
In September of 2018, the SROA Board approved the formation of the North Pool Taskforce with a completion date for their work set for March 16, 2019. Since that time, it has been determined that the taskforce needs more time to review/finalize details of the North Pool Complex renovation projects Phase
One Conceptual Plan and to provide assistance for the potential upcoming ballot pro/con statements and FAQ’s.

Director Skinner moved to approve the extension of the Board appointed North Pool Taskforce with a new completion date of July 1, 2019. Seconded by Wharton, motion passed unanimously.

**BOARD ACTION**

**1ST QUARTER TRANSFER CAPITAL TRANSFER**

Director Wharton moved to approve the transfer of $553,773.13 from the Reserve Fund to the Operating Fund for the 2019 first quarter acquisitions. Seconded by Director Schmid, motion passed unanimously.

**BOARD ACTION**

**RATIFY BOARD ACTION WITHOUT A MEETING: WATER COMPANY SALE**

Director Fister moved to affirm the March 27, 2019 Board Action without a Meeting authorizing SROA President Bob Nelson to execute the final stipulation documents submitted to the Oregon Public Utilities Commission for approval regarding OPUC Docket Number UP 384 and UP 391. Seconded by Director Wharton, motion passed unanimously.

**BOARD ACTION**

**2019 BALLOT MEASURE LANGUAGE & PRO/CON STATEMENT WORD COUNT**

The SROA Bylaws require the Board to approve language that will appear as a measure on the ballot and communicate such to the Chairperson of the Election Committee within five days of the Board action. In addition, the word count of arguments for and against the proposed ballot measure, including those prepared by the SROA Board, SROA committees and those submitted by SROA members needs to be established.

Director Fister moved to authorize the following ballot measure language, as written, for the 2019 Sunriver Owners Association regular election. In addition, I move to set the word count for pro or con statements in the voter’s pamphlet be limited to 100 words or less. “Pursuant to Section 7.04 and 7.08 of the Consolidated Plan of Sunriver, I authorize the Sunriver Owners Association to use Maintenance and Reserve Funds for the maintenance, repair, restoration and construction of the North Pool Complex located on West Core Road in Sunriver as described in the Voters Information Pamphlet. Funding for this project (including contingencies) shall not exceed the bid award amount of $5,870,000. No special assessments from owners shall be required to fund said improvements.”

Seconded by Director Mobley, motion passed unanimously.

**BOARD ACTION**

**NOMINATING COMMITTEE CHARTER CHANGES**

Two changes are being proposed; one to the “Organization” section of the charter and one to the “SROA Human Resources Manager Role & Responsibilities” section. The Board held discussion on the proposed changes at their work session on Friday.

Director Mobley moved to approve the proposed revision to the Nominating Committee charter as presented. Seconded by Director Skinner, motion passed unanimously.

**BOARD ACTION**

**DESIGN COMMITTEE MANUAL OF RULES & REGS, SECTIONS 29.03 & 29.12**

The suggested revisions to the Design Manual of Rules & Regulations are a result of an ongoing review of the manual by Design Committee members as well as concerns brought to the Board by owners in the

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community. The proposed changes have been posted for more than the required 60-day comment period on the SROA Website for owner review and comment. The Board has been provided with all written comments received during the comment period. Additionally, the Board held a lengthy discussion on these proposed changes at their work session on Friday and made some minor edits which are reflected in the wording the Board received today.

Director Wharton moved to approve the following amendments specific to Sections 29.03 & 29.12 of the Sunriver Design Committee Manual of Rules & Procedures:

29.03: Firewood is to be stacked neatly. If wood is to be covered, the covering shall blend with the natural environment (Reference should be made to the Sunriver Rules & Regulations for permitted colors).

Firewood stacked outdoor to form a wall, privacy fence, decorative feature, or to mark property boundaries is not in keeping with the design concept of Sunriver noted in Section 17.08 of the Design Manual. If firewood is stacked compactly as follows, it is acceptable without condition.

A single row of firewood shall be straight, shall not change direction, and shall not be longer than 8 ft. in length and 4 ft. in height. Additional firewood shall be stacked against the first row until a cord is formed (a compactly stacked pile 8 ft. long, 4 ft. wide and 4 ft. high). Additional firewood shall be stacked in the same fashion and the total amount of the firewood shall not exceed five cords.

In no case shall firewood be stacked beyond the homeowner’s property line. All firewood storage shall conform to the Sunriver Ladder Fuels Reduction Plan and to Sunriver Rules and Regulations, Section 4.02 c, d, and e. The Design Committee in its sole discretion, shall determine whether any stacked wood conforms to the intent of this section.

29.12: The Design Committee may at its discretion approve an outdoor fireplace installation if it complies with all of the following requirements. The fireplace shall be on a patio or deck only, away from trees and ground cover and shall be electric or gas fueled only. The entire firebox shall be covered with a fixed glass face that shall be removed (and replaced) only by a service professional for maintenance of the fireplace. The fireplace shall be activated by an electric switch, push button or remote control. Fireplaces with a refillable fuel source shall not require the removal of the glass face to be refilled.

Seconded by Director Skinner, motion passed unanimously.

There being no other business, President Nelson asked for a motion to adjourn the public meeting.

Director Wharton moved to adjourn the meeting. Seconded by Director Fister, motion passed unanimously.

The meeting adjourned at 10:38 a.m.

Respectfully Submitted,

Jim Adams, SROA Assistant Secretary