The Board of Directors meeting was called to order at 9:00 a.m.

Owners Forum: Lee Stevenson, 20 Wallowa Loop provided the Board with materials and information regarding the benefits of a healthy forest through the planting of ponderosa pines. Mr. Stevenson promoted the annual seedling sale in a handout to the Board. In addition, he requested that the SROA Board revisit the ladder fuels reduction plan and determine any needed amendments to this document. He further suggested assembling a group to evaluate the plan consisting of individuals with expert background and knowledge on the topic.

Bob Stillson, 10 Belknap Lane provided the Board with input regarding the following topics:
- The recent Johnny Lang ticketed concert – Mr. Stillson worked as a volunteer for this event and felt that the event was a success. He requested the GM provide a brief overview of the cost recovery of such an event and SROA’s general philosophy in carrying out events of this size.
- Mr. Stillson encouraged the Board and staff to attempt short-term fixes at Mary McCallum Park as the long-term planning of the park continues.
- With the expanded fire season and smoke/air quality issues more prevalent, Mr. Stillson suggested the Board consider exploring the need for more indoor recreation facilities.
- Mr. Stillson noted he has received information regarding the proposal for an assisted living facility in Sunriver and sought information relative to the number of property owners stated as being in favor.

Persida Myers, 18135 Cottonwood Rd provided the Board with a written statement and requested said statement be included in the record of this meeting:

My name is Persida Myers and I own Sunriver Fitness and Aquatics property that sits on ten acres, in the North end of Sunriver.

I have a few points I would like to bring up today as part of this presentation.

On July 21st, SROA Board meeting our Assisted Living use was denied by unanimous vote of the Board members based on the reasoning that the proposed use of our property is a residential use and thus not allowed on a commercial property, although it is allowed under Deschutes County zoning requirement.
The reasoning for the decision to deny was not supported by legal reasoning, although Board members did seek and receive legal advice in the matter as it was mentioned, it was just not made available to us. (We do want to mention that our cooperation with the Association in regards to this process has been very receptive since mid-2015 when we entered escrow and we have hoped for the same in return.) We are urging the Board to please reconsider its decision.

I met with two members of the community last week and they both have discussed about the property I own as “the elephant in the room in Sunriver”. I can tell you it is not a good feeling to own an elephant, when you didn’t want to own one. It’s not right, nor accurate, and such painting of a big cornerstone property in Sunriver and is unacceptable. It is important that people and organizations in charge elevate this concept about this property and such perceptions do not fit with well-organized places.

The property failed once as a school, second as a water park/gym (for the reasons the community knows better) and we are not prepared to let it fail again.

We would like to thank the approximately 1,300 homeowners who have sent in the petition and that have showed compassion for their peers. We do want to mention a good number of letters that we received in regards to homeowners straightforward discriminating disability and age of their peers, as well as, I quote, “Sunriver bike paths are not made for walkers and wheelchairs.” The bold expression of such concepts do not make them valid. Nowhere in this country of United States, no gated community, no special purpose community can keep people out because of a limitation in physical function.

In regards to concern from those that worry about how an assisted living will look in Sunriver – The facilities will blend in with the rest of the architecture and unless you’re looking for an assisted living in Sunriver – most likely you won’t find one.

I would like to request this letter be on the record of this meeting as well as published in the Scene, if there is room.

Thank you.

OWNER FORUM FOLLOW UP FROM PREVIOUS MONTHS MEETING
Director Wharton reported Dan Jensen, 11 Ridge Condo requested a special use permit for he and his wife to use mini-Segways on the SROA pathways and staff is looking into this request.

Cindy McCabe voiced concerns about the condition of Mary McCallum Park and has been invited to assist on the IAMP Task-Force that will be looking at this facility as part of their review of the plan.

Bob Stillson shared his observations on a number of things and expressed his appreciation for the efforts to maintain the tranquil setting at the North Pool among other things.

ACTION ITEM
MINUTES
President Nelson asked for a motion to approve the minutes of the August 17, 2018 SROA Board Work Session.

Director Fister moved to approve the minutes of the August 17th Board Work Session. Seconded by Director Wharton, motion to approve the minutes as written passed unanimously.
President Nelson asked for a motion to approve the minutes of the August 18, 2018 SROA Regular Board Meeting.

Director Wharton moved to approve the minutes of the August 18th Regular Board Meeting. Seconded by Director Skinner, motion to approve the minutes as corrected passed unanimously.

President Nelson asked for a motion to approve the minutes of the August 18, 2018 SROA Annual Meeting.

Director Wharton moved to approve the minutes of the August 18th Annual Meeting. Seconded by Director Bigham, motion to approve the minutes as written passed unanimously.

FINANCIAL
Vice President Wharton, in Treasurer Gocke’s absence, referred the Board to Controller Healy’s report included in the board binders and reported that year-to-date as of the end of August, there was positive variance of $59,802 in revenue. The non-operating income shows a positive variance of $146,169 year-to-date but as is frequently noted some of that may be due to timing of invoices for services the Association has not yet received. Vice President Wharton noted that SROA Controller Joe Healy had gone through the entire Financial Statements section of the binders during the board training held on Friday.

August 31, 2018 (Unaudited)

<table>
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<tr>
<td>OPERATING FUND SURPLUS</td>
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Director Wharton moved to approve the unaudited financial statements for August 2018. Seconded by Director Fister, motion passed unanimously.

GENERAL MANAGER’S REPORT
SROA staff participated in the annual WOW (War on Weeds) event in August contributing to the over 200 bags of weeds that have been pulled this year. Staff also assisted in organizing a successful Annual Meeting.

The Accounting staff has been very busy with the beginning of the 2019 budget season underway. Budget packets have been distributed to department heads along with the budget timeline and new monthly spreadsheets.

Controller Healy has been assisting our IT staff and representatives from Price, Fronk & Co. with the Bend Broadband audit. Accounting staff have also attended a number of presentations by various software companies in search of a new accounting program that will have more capabilities and be more user friendly for both the staff and owners.

The IT Department has also been involved in the reviewing of new software options for the Accounting Department. IT staff has also been working with Day Wireless on the emergency broadcast towers.

The Scene staff have developed and launched a new Website, www.abbotbeavercircle.com that is all about the Abbot/Beaver intersection project. It looks great and GM Palcic encouraged the Board to have a look.
Advertising revenue for the September Scene was $29,196 compared to $23,900 at the same time in 2017. This is increase in revenue is due to the scheduled ad rate increase adopted in 2018.

Website activity remained strong in August. The main SROA Website averaged 508 visits per day in August. There are 2,572 activated owner accounts with 1,491 remaining to be activated.

New facility signage has been ordered and should be ready around the first of October.

The Community Development Department continues to see strong submittal activity and contractor registrations. Code Enforcement Officer Shane Hostbjor is retiring at the end of the year and former Public Works employee Marty Seamons has been hired to replace him. Marty has already started shadowing with Shane and will continue to do so through the end of the year.

The 2018 War on Weeds was a great success with over 200 bags of noxious weeds collected throughout Sunriver. The LFR contract cutting continues on the south end of the property and there is firewood available to owners with a wood gathering permit which is available either at the Administration office or at SHARC.

Natural Resources staff has been assisting with the Abbot/Beaver intersection project as needed.

The Public Works Department installed several new trash cans and still had a bit of a struggle keeping up with the increased use of the parks this summer.

Staff has assisted greatly with the conversion of all lighting at SHARC to LED. This conversion is almost complete and staff will be submitting the necessary paperwork to determine what rebates the Association will receive by the end of the month.

The tunnel project is almost complete with the exception of a dry well and sealing concrete. Many positive comments about the tunnel have been received by both staff and Board members.

Public Works Director Mark Smith is heavily involved with the Abbot/Beaver project.

The Recreation Department hosted another successful end of summer owner event the last week of August that was very well attended. Unfortunately, due to all the smoke in the air the event was moved from the North Pool to SHARC.

The Johnny Lang ticketed concert was a sell-out and those in attendance seemed be enjoying themselves.

Marketing continues and preparations are underway for the “Uncorked” wine, cheese and chocolate event scheduled for this weekend.

The pool deck side of the SHARC building has been repainted. The indoor pool at SHARC will be closed from September 4-16 for yearly maintenance.

Pickleball participation for court usage and lesson continues to be strong. On average, the number of pickleball courts reserved on a daily basis was higher than 2017.

We also continued to see strong number in tennis clinics and lessons last month. On some of the severely hot days programming was moved indoors to Sage Springs, a nice option for our programming and a key benefit to working collaboratively with the Resort on a unified year-round tennis program.
Copies of the entire GM report was provided in the board binders.

**LIAISON AND COMMITTEE REPORTS**

Copies of the minutes received from committees that met in the last month were included in the Board binders.

**SUNRIVER SERVICE DISTRICT (SSD) REPORT**

Director Fister reported the SSD Managing Board has elected Ron Schmid to act as chair for the next year.

The fire training facility is complete and ready for use. A lot of equipment has already been moved and the rest will be moved soon.

The Managing Board approved a reorganization of the Police Department which will add a new lieutenant position that will report directly to the chief and that will be responsible for handling a lot of the administrative duties currently in the department. The Sargent’s who are currently handling said duties will shift duties over to the lieutenant. This will free up the Sargent’s to regain their primary role of supervision of on street staff and also result in more officers on the streets. Reports are that the reorganization is being received well by staff.

Both Chief Darling and Interim Chief Scott Hayes provided recommendations to the Managing Board over the last several months illustrating the need for this reorganization. The position will be posted in-house first and if there is no interest or lack of qualification it will be advertised outside of the department.

Bike Patrol has finished for the summer and statistics show that contact was made with around 6,000 people during the course of the summer, over 3,000 of which were for public assistance. These eight folks are excellent boots on the ground ambassadors for the community.

Police Chief Darling is making some changes to the Citizen’s Patrol mainly to uniforms and the vehicle they use for their house checks, event assistance, etc.

In answer to a question from Director Adams regarding any rule changes the new chiefs might like to see, GM Palcic reported that the annual meeting for the Enforcement of Rules & Regulations is actually being held next week. This yearly meeting used to be held in the spring but is now held in the fall shortly after the summer season is over. The group that meets consists of two SROA Board members, two SSD Board members, the Chair of the Covenants Committee, Police and Fire Chiefs, SROA General and Assistant General Manager, Natural Resources Director and the Magistrate. The group discusses challenges with enforcement of existing rules as well as proposed changes, additions, deletions, etc. to the document. Agreed upon proposed changes are then brought to the SROA Board for consideration of a first and second reading and possible adoption.

Copies of the approved minutes of the July 19, 2018 were included in the board binders.

**BOARD ACTION**

**COMMITTEE ACTIONS**

Director Fister moved that the Board accept the roster of names presented for appointments, resignations and end of term of service departures and further move to thank those individuals whose terms are completed for their service to the community. Seconded by Director Adams, motion passed unanimously.
Appointments
Design: Charlie Myer – from alternate to full-time member
Design: Tim Batrell – from full-time to alternate member
    Election: Patty Smith
    Election: Dennis Dishaw
Finance: Jim Thorpe – from alternate to full-time member
    Finance: Bob Wrightson
    Finance: Keith Mobley
    Nominating: Mark McConnell
    Nominating: Dennis Smeage
    Nominating: Laurence MacLaren
    Nominating: Steve Murray

Appointments to a Second Term of Service
    Covenants: Frank Brocker
    Covenants: Patty Smith
    Election: Jane Wilson

Resignation
Owner Enrichment Committee: Brad Skinner (due to election to SROA Board)

End of Term of Service Departures
    Finance: Dave Williams
    Nominating: Jane Boubel
    Nominating: Jane Vakoc
    Nominating: Gary Carlson

Committee Chair Appointments
    Design: Mark Feirer – Chair
    Design: Curt Wolf – Vice Chair

BOARD ACTION
RESOLUTION 2018-004 APPOINTING SROA ASSISTANT SECRETARY & TREASURER
Director Wharton moved to approve Resolution 2018-004 appointing Jim Adams as SROA Assistant Secretary and Keith Mobley as Assistant Treasurer for 2018-19. Seconded by Director Bigham, motion passed unanimously.

BOARD ACTION
3% DISCOUNT FOR FULL PAYMENT OF 2019 MAINTENANCE FEES
Each year staff encourages owners to request an annual coupon if they pay their regular maintenance fees in full instead of on a monthly basis. This saves the Association the cost of preparing and mailing an entire coupon book that gets thrown away. To encourage owners to request the one-time payment option, a notice is published in the October and November editions of the Scene.

Staff needs confirmation that the discount has been approved by the Board prior to publishing that information. The Consolidated Plan, Section 7.02(b), provides that the amount of the discount for the pre-payment shall be determined annually by the Board. Dating back to at least 20 years, the amount of the discount has been 3%.
Director Fister moved to approve a 3% discount to owners who pay their regular maintenance fees, excluding special purpose assessments, in full by the end of January, 2019. Seconded by Director Wharton, motion passed unanimously.

**BOARD ACTION**  
**IAMP TASK-FORCE SCOPE OF WORK**  
The SROA Board recently announced the formation of a task-force specific to revising SROA’s Infrastructure and Amenities Master Plan (IAMP) and directed SROA staff to develop a draft scope of work for the task-force. The Board now wishes to take the next steps and adopt a task-force scope of work, populate the task-force and commence work on this initiative.

Director Adams moved to approve a scope of work directive for the Infrastructure and Amenities Task-force to follow and further moved to direct staff to initiate the posting of openings to the task-force and provide the Board with a list of potential candidates at the October regular Board Meeting. Seconded by Director Wharton, motion passed unanimously.

**BOARD ACTION**  
**NORTH POOL TASK-FORCE**  
The SROA Board recently announced the formation of a task-force specific to future renovations for the North Pool and directed SROA staff to develop a draft scope of work for the task-force. The Board now wishes to take the next steps and adopt a task-force scope of work, populate the task-force and commence work on this initiative.

Director Mobley move to approve the formation of a new North Pool task-force to utilize the Board approved Decision-Making Checklist to study and make recommendations for future North Pool amenities and further moved to direct staff to initiate the posting of openings to the task-force and provide the Board with a list of potential candidates at the October regular Board Meeting. Seconded by Director Fister, motion passed unanimously.

**OTHER BUSINESS**  
**BOARD ACTION**  
**SROA/SSD/DESCOUTES COUNTY MANAGEMENT AGREEMENT**  
In a recent review of the Management Agreement between SROA, the SSD and Deschutes County several changes have been proposed. The SROA Board has reviewed the document and agree to the changing of three key items; changing the number of SSD Managing Board members from five to seven, to remove the district elector component from board member eligibility and to review the agreement at least every three years.

Since that time, the SSD has requested one additional change be added clarifying that the SSD Chair position cannot be held by a board member who is also on the SROA Board of Directors.

Director Fister noted that the final decision on who is approved to serve on the SSD Managing Board is up to the Deschutes County Commissioners based on the recommendations they receive from the SROA Board of Directors.

Director Fister moved that the Board authorize President Nelson to finalize and sign the Management Agreement between SROA, the SSD and Deschutes County. Seconded by Director Wharton, motion passed unanimously.
Director Bigham moved to adjourn the public meeting. Seconded by Director Skinner, motion passed unanimously.

The meeting adjourned at 10:21 am.

Respectfully Submitted,

Gary Bigham, SROA Secretary