

**SUNRIVER OWNERS ASSOCIATION  
BOARD OF DIRECTORS MEETING  
PRINGLE ROOM @ SHARC &  
VIA YOU TUBE LIVE STREAM  
April 17, 2021**

**DIRECTORS PRESENT VIA ZOOM:** Keith Mobley, Jackie Schmid, Gerhard Beenen, Clark Pederson, Bill Burke, Mark Murray, Mike Gocke, Scott Gillies, and Brad Skinner

**STAFF:** James Lewis, Jesus Mendoza & Susan Berger

The Board of Directors meeting was called to order at 9:00 A.M. by President Skinner.

**OWNERS FORUM:** SROA GM James Lewis reported a written submission has been received from owner Scott Brucker, 7 Holly Lane, who asked that his comments be read into the record. Mr. Brucker voiced his support for the funding of the review and updating of the Design Committee Manual of Rules & Procedures and encouraged the Board to keep that process moving along under GM Lewis' oversight. Mr. Brucker also thanked the Board for the necessary funding for this project.

**OWNER FORUM FOLLOW-UP FROM LAST MONTH'S MEETINGS**

President Skinner reported the Board heard from Ronald & Laura Bailey, 17 Witchhazel Lane who spoke from a personal perspective about the Board's recent decision to not move forward in allowing Class 2 Ebikes on Sunriver pathways. The Bailey's provided the Board with several handouts. President Skinner reported our legal counsel is currently reviewing this issue.

Lee Stevenson, 21 Wallowa Lane, provided the Board with both oral and written comments voicing his support for better enforcement of our pathway rules, particularly bicycles.

Ed Pitera, 25 Quelah Lane, and Mark McConnell both discussed the proposed recycle facility and the actions they would like to see the Board take on that issue.

Ray Johnson, 4 Muir Lane voiced his displeasure about the current cable service provided by Bend Broadband and encouraged the Board not to move forward with a new contract with them. Mr. Johnson also spoke to the continuing problem of bikes on pathways and roads after dark without the proper lights and/or reflectors.

**RECAP OF 4/16/21 WORK SESSION**

President Skinner reported the Board held both a Joint SROA/SSD Board meeting and their monthly board work session on Friday. At the joint meeting they heard the report and recommendations of the Rules Awareness and Compliance Taskforce and heard reports on summer and emergency preparedness from the Fire & Police Chiefs as well as SROA staff. An update was also provided on the SSD facilities site search and their due diligence efforts in that regard.

At the afternoon Work Session, the Board was provided an overview of the Comprehensive Owner Survey from JD Cornutt of DRC Research. They heard a COVID-19/Recreation Department update as well as updates on the North Pool Complex and the Telecommunications Taskforce.

The Board discussed the proposed ballot measure language for this year's election and held a first reading for a proposed Nuisance Property rule in Sunriver.

The Board held an executive session to discuss a legal matter.

**ACTION ITEM**  
**BOARD MEETING MINUTES**

Director Murray moved to approve the minutes of the March 19<sup>th</sup> Board Work Session as corrected.  
Seconded by Director Pederson, motion passed unanimously.

Director Gocke moved to approve the minutes of the March 20<sup>th</sup> Regular Board Meeting as corrected.  
Seconded by Director Mobley, motion passed unanimously.

**FINANCIAL**

Treasurer Beenen referenced the operating income statement noting total revenue for the month was approximately \$10,000 short mostly related to a lack of program revenue because of SHARC being closed for part of the month. Year-to-date we are approximately \$53,000 short on total revenue, again related mostly to shortfall in program revenue. Department expenses for the month of March were \$59,000 under budget and year-to-date we are approximately \$160,000 under budget and mostly related to materials and services, although some is attributable to timing of the receipt of invoices. Non-department expenses came in at \$358,000 approximately \$7,000 over budget, but year-to-date, we are approximately \$8,000 under budget. The net result year-to-date is a positive variance of \$115,000.

Treasurer Beenen also noted that based on the current state of things we will not have gate revenue again this year which is significant number as it can generate up to \$800,000 per year. Depending on how things play out we may be able to recoup some of that later in the season.

Through the first quarter of 2021, there was a net operating deficit of \$8,206 which was \$115,118 better than budget. Operating revenues were under budget by \$52,671 mainly due to the SHARC closure and MPP's sales trending behind budget. Through three months MPP revenue was at 39% of budget and Recreation Plus Program (RPP) sales were at 95% of budget. Departmental expenses were under budget by \$159,840. Salaries and burden were under budget by \$28,107 due to savings in recreation. Material and services were under budget by \$131,733 from the SHARC closure and timing of invoices/contract services.

Total assets as of March 31, 2021 were \$36,070,803. Cash and investments totaled \$14,776,432, a decrease of \$145,316 from February. As of March 31<sup>st</sup>, investments included \$6,701,646 in short-term US Treasuries of one year or less, \$1,250,000 in a two-year treasury, and \$5,500,210 in operating funds purchased through the CDARS program. There was \$175,067 in receivables from RPP sales at the end of March. Construction in progress items included the North Pool Complex project, construction of the various tennis/pickleball courts and renovation of the spray tot area at SHARC.

March 31, 2021 (Year to Date Unaudited)	
	<u>ACTUAL</u>
TOTAL REVENUE	\$2,541,837
TOTAL EXPENSES	\$2,550,043
OPERATING FUND SURPLUS	\$ (8,206)

Director Schmid moved to approve the unaudited March 2021 financials. Seconded by Director Murray, motion passed unanimously.

## GENERAL MANAGER'S REPORT

GM Lewis noted this report will be for activities ending March 31st. Mr. Lewis reported on staff activities as they relate to taskforce involvement yesterday so unless there are any specific concerns or questions, that information will not be repeated today.

GM Lewis noted he continues to participate on the Central Oregon Intergovernmental Council Board and the Sunriver/LaPine Economic Development Board. Mr. Lewis has been working with SROA legal counsel on several legal issues. Mr. Lewis worked with SSD members and staff regarding their facility site search and attended a variety of taskforce and committee meetings.

GM Lewis and Police Chief Darling have been discussing the possibility of having the bike patrol staff start earlier than the typical Memorial Day weekend given the pathways are already getting busy. Director Burke inquired whether those discussions included having the patrol shifts go later into the day/evening based on the number of concerns received over the last few months about people riding after dusk/dark with no lights and/or reflectors. This has not been discussed, but he will make a point of discussing it with the chief.

Contracts have been executed for the drainage work on Fir Cone Lane. Some physical and survey work was completed this week. The design work will be done over the summer and the actual work will occur in the fall after the Woodlands Golf course closes for the season.

Gabriel Rice has been hired as the new IT data-base administrator. Mr. Rice comes to SROA from the Central Oregon Intergovernmental Council so his background should fit our needs well and his computer skills are not limited strictly to data-base application which will allow him to assist with other needs in the department. Staff is happy to have him on board and look forward to working with and getting to know him. GM Lewis reminded the Board that this is the re-filling of an IT position that was cut during the layoffs that occurred a year ago.

GM Lewis has been working with SROA staff, the Resort and the Forest Service to determine what can be done about the dust during the summer on Forest Service Road 600 also known as the canoe takeout road off Circle 7. James has heard from a Forest Service representative and learned that the Forest Service will not provide any maintenance to that road unless they have some forest service activity occurring that utilizes that road leaving maintenance of the road up to The Resort (SRLP), to maintain. SROA does assist in that effort through an agreement that allowed owners the ability to use the Resort's shuttle pre COVID-19.

GM Lewis did find out this week, that the Forest Service has given their approval for use of a natural based product, made from trees, that can be applied to the road and that has a hardening agent in it. Public Works Director Mark Smith is currently getting cost estimates for the purchase and application of the product after which GM Lewis will meet with SRLP to discuss next steps.

GM Lewis also participated this month in a virtual Town Hall event for owners sponsored by Sunriver You and the Owner Enrichment Committee. It was very well attended and well received. There are plans to hold more in the future.

The Accounting Department prepared and presented the Finance Committee and Board with February unaudited financial as well as the 2021 contingent budget items for approval. Controller Healy also created cash flow forecast for the proposed recycle center and has been assisting the SSD with their 2021-22 budget development.

The IT Department has been replacing and moving servers, migrating data where necessary as well as adding resources to the virtual servers. The IT staff has also been very busy assisting with conduit and fiber optics installation at the North Pool Complex. They recently installed new ID card printers at SHARC and modified the tennis/pickleball gates for card access.

In the Communications Department, Scene advertising was at \$15,003, previous year was \$21,493.

The SROA website, [www.sunriverowners.org](http://www.sunriverowners.org) continues to feature a COVID-19 page, which is updated frequently to ensure the most current information is available.

There were 276 reads of the online February Scene.

The SROA website was visited by 7,900 users in March with popular pages being weather, Member Preference Program, Community Development Department, and calendar.

The SHARC website was visited by 12,000 users with popular pages being COVID operations, aquatic hours, admission rates.

Sunriver Style was visited by 2,500 users with popular searches for pathways, horseback riding, river, and weather.

Sunriver Tennis website: 571 views looking at facility information and tournaments.

Social media posts currently promote recreational summer job opportunities and all current COVID-19 information.

Communications staff members also continue to work on making sure all SROA platforms have the most current COVID-19 information posted with necessary links available.

Staff members assisted with production of the final report of the Rules Awareness and Compliance Taskforce. They continue their work on the educational materials for the Rules Awareness and Compliance Task Force to be shared with property managers, owners, etc. The "Sharing My Home" page on the website housing some of these materials for download by owners, etc. will be launched soon.

The Community Development Department continued their protocols for safe electronic submittals of applications/plans and for applicant meetings/contacts.

Submittal activity remains strong with 8-10 items on each of the March meeting agendas. There are approximately 255 currently active projects/building permits (down 10% from the previous month) that have been reviewed/approved by SROA/Design Committee including new homes, major additions, and small-scale projects. The reduction in active permits is due to project completion by owners.

88 notices have gone out from the Community Development Department to owners who will be required to repaint their structures this year.

The Natural Resources Department mailed ladder fuel reduction (LFR) notice of deficiency advisories. Staff responded to tree removal requests on private property and staff continues planning for Arbor Day 2021.

Staff continued preparation for LFR contract work on commons.

Public Works has been busy with a variety of projects including installing wind screens and nets at tennis and pickleball courts, reinstalling basketball hoops, prepping for install of new picnic table at Mary McCallum Park and chipping downed trees.

Specifications for spring road projects including slurry sealing and micro seal were determined, and road measurements were verified with GIS. Staff walked and measured all pathway and roads that are on the schedule for crack repair totaling 142,821 linear feet or 27 miles. All spring road and pathway projects are preventative maintenance management.

Fleet Services developed and ordered replacement vehicle for Natural Resources Department via a government price agreement that will save significant dollars but take several months to be delivered.

Fleet staff also installed emergency key systems in all Sunriver Fire Department vehicles.

March was a busy month at SHARC with marginal weather. The major focus of managers is staff recruitment and summer preparation.

Spring break was successful as SHARC provided recreation swims, lap swims, disc golf, tennis/pickleball and the basketball courts. As we were at moderate risk at that time, we were able to open to 65 swimmers at a time.

Member Services was busy updating Member Preference Programs passes (940 in March) and Recreation Plus Program renewals. Staff hosted their first and second virtual job fairs, created a new self-guided Aqua Fitness class and created recruiting videos for social media.

Staff was able to hold their first Lifeguard Class in over a year and hired four new lifeguards as a result. The pools and slides were prepped for spring break and the water play area site was prepped with new water lines installed and installation scheduled for mid-May. Competition for employees is a real challenge this year and rising gas prices do not help when trying to attract employees from Bend. The free shuttle for employees from LaPine will be available again this year and GM Lewis is pushing for the same type of service from Bend.

Director Mobley commented that broadband is a hot topic both in congress and in the state and in his opinion, this would be a good time to explore funding at the federal and/or state level for broadband. In communicating with Deschutes County, Director Mobley has found there is not a lot of active interest in pursuing any funds currently available. Director Mobley understands the Association of Oregon Counties (AOC) will be meeting in Central Oregon in June and wonders if there is a way to actively communicate with Deschutes County to express our thanks for AOC meeting here as well as the importance of trying to access some of the millions of dollars available.

GM Lewis commented he recently met with newly elected Deschutes County Commissioner Phil Chang and they did briefly discuss that Sunriver is exploring other options besides Bend Broadband. They did not have an in-depth conversation about this issue as they were discussing a variety of topics at this meeting. GM Lewis has since learned that at the commissioners regular meeting this past Wednesday, the Commissioners received an update from their IT Department about rural broadband service, not to the cities, but specific to rural areas. Commissioner Chang, one of three commissioners, stated he would be in support of using some of the \$38 million Deschutes County is receiving to expand broadband service for underserved rural areas.

Copies of GM Lewis' full report were included in the board binders.

### **LIAISON AND COMMITTEE REPORTS**

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

### **SUNRIVER SERVICE DISTRICT (SSD) REPORT**

Director Beenen reported most of the issues discussed yesterday at the joint SROA/SSD Managing Board meeting were discussed at the regular SSD meeting on Thursday. One thing not discussed at the joint meeting was the SSD 2021/22 budgeting process which is moving along, and it looks as if mill rate of \$3.33 per \$1,000 assessed value will stay the same for next year.

The SSD has a reserve account for items that reach the end of life or for new capital purchases. An analysis of that account earlier this year determined that account is underfunded so they will be looking for ways to increase that in the future. Unfortunately, an additional EMT/firefighter position, the Fire Department was hoping to add just is not currently possible.

There was further discussion about a new or remodeled facility to meet current industry standards. A taskforce is being established and there will be more to come going forward. Currently, site options are being looked at and it remains clear that a combined public safety building is the most desirous option.

In relation to the possibility of Deschutes County being willing to assist in funding a new facility via the Transit Room Tax (TRT) dollars, history would illustrate they are more willing to consider helping fund a special project such as they did with the fire station training area, as opposed to committing to fund ongoing operations. Director Beenen reported that Administrator Baker is to find out what portion of those tax dollars are generated in Sunriver. Additionally, Deschutes County is scheduled to get approximately \$35 million in Federal COVID-19 dollars and perhaps some of those dollars could be earmarked for a public safety building for Sunriver.

Copies of the approved minutes from the February 18, 2021 SSD Board meeting were included in the Board binders.

### **BOARD ACTION** **COMMITTEE APPOINTMENTS**

Director Beenen moved to approve the appointment of Ron Schmid as a member of the Nominating Committee and Kevin Sonney as an alternate to the Design Committee. Seconded by Director Murray, motion passed unanimously.

### **BOARD ACTION** **1<sup>st</sup> QUARTER CAPITAL TRANSFER**

Director Beenen moved to approve the transfer of \$199,715.21 from the Reserve Fund to the Operating Fund for the 2021 First Quarter Acquisitions. Seconded by Director Pederson, motion passed unanimously.

### **BOARD ACTION** **BALLOT MEASURE LANGAUGE & PRO/CON STATEMENT WORD COUNT**

Director Mobley moved to notice the Election Committee Chair to publicize the annual SROA Election and the ballot measures to be voted on and to solicit Pro/Con statements in accordance with the SROA Bylaws limiting the word count for those statements to one hundred (100) words. Further move to approve the ballot measure language as presented for publication in the 2021 SROA Voter's Pamphlet. Seconded by Director Murray, motion passed unanimously.

**BOARD ACTION**

**1<sup>st</sup> READING – SR RULES & REGULATIONS – SECTION 5**

Director Murray moved to approve a first reading to the Sunriver Rules & Regulations proposing the addition of Section 5.08, Nuisance Properties. Seconded by Director Beenen, motion passed unanimously.

**BOARD ACTION**

**LEGAL MOTION**

President Skinner reported on information received from SROA’s legal counsel and read the following paragraph into the record:

On April 8, 2020, the Deschutes County Court entered a supplemental judgment denying SROA’S request for an award of attorney fees, costs, and disbursements that it incurred as the prevailing party in connection with the petition in Myers v Owners of Record, Case No 19CV24112, to remove certain provision of the Sunriver Phase II Declaration Annexing Tract C, Deer Park I to River Village and the Consolidated Plan of Sunriver. SROA has a legal right to appeal the supplemental judgement to the Oregon Court of Appeals as part of the already pending appeal previously authorized and commenced by SROA, Case No. A174633.

Director Mobley moved to authorize the appeal of the supplemental judgement entered by the Deschutes Circuit Court on April 8, 2021, in Myers v. Owners of Record, Case No. 19CV24112.

Director Pederson noted for the record that this issue had been discussed at length during the executive session on Friday and this is the formal action because of that session.

Seconded by Director Beenen, motion passed unanimously.

**OTHER BUSINESS**

**CLASS II EBIKES**

President Skinner reminded the Board that at the March SROA Board Work Session, an owner questioned the Board about the legality of not allowing Class 2 Ebikes on the Sunriver pathways.

After a review of the submitted materials and the applicable laws and codes, our legal counsel concluded that SROA does have the authority to restrict the use of Class 2 Ebikes or other bicycles and uses on our pathways. President Skinner noted that legal counsel is also assisting SROA for clarification on American Disabilities Act (ADA) access.

Read into the record by President Skinner:

At the March SROA Board meeting, we were questioned by an owner about the legality of not allowing Class 2 Ebikes on the Sunriver pathways. In this regard we committed to asking the SROA legal counsel to review the information submitted to us, and to return with an answer.

After a review of the submitted materials and the applicable laws and codes, our legal counsel concluded that SROA has the authority to restrict the use of Class 2 Ebikes or other bicycles and uses on our pathways.

In short ~ and to be followed up with a written statement ~ our legal counsel concluded that the SROA

Consolidated Plan provides the authority to adopt rules and regulations providing for the manner in which common areas may be used as long as it does so on a non-discriminatory basis. In this vein, the pathways are located within designated common areas and are a common element to the community. The scope of SROA's authority can reasonably be construed to regulate the use of its pathways by Ebikes, and SROA has exercised such authority.

Further, the Oregon Vehicle Code, including ORS 801.00. Subsection (1) of the statute provides:

“No county, municipal or other local body with authority to adopt and administer local police regulations under the Constitution and laws of this state shall enact or enforce any rule or regulation in conflict with the provisions of the vehicle code described in this subsection except as specifically authorized in the vehicle code. This subsection applies to the provisions of the vehicle code relating to use of roads by persons, animals, and vehicles.

In this regard, SROA is plainly not a county or municipality. It is also not a ~ local body with authority to adopt and administer local police regulations – which is limited to public governmental entities. SROA is a private, non-profit corporation that serves as the community association for Sunriver. It does not possess state police power; the source of SROA's authority derives principally from contract and property law. Thus, the reference statute simply does not apply to SROA.

Based on this analysis, SROA and its Board did not err in disallowing Class 2 Ebikes on its pathways by not forwarding a motion to consider such.

President Skinner noted his appreciation to owners for bringing these type concerns to the Board and as was mentioned earlier, legal counsel is clarifying the issue of the American Disabilities Act (ADA) and how that relates to our pathways and the Board will share that information once received.

The Board held their meeting debrief.

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

Director Burke moved to adjourn the meeting. Seconded by Director Pederson, the motion passed unanimously.

The meeting adjourned at 10:35 A.M.

Respectfully Submitted,

Jackie Schmid, SROA Secretary