

**SUNRIVER OWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
PRINGLE ROOM @ SHARC &
VIA YOU TUBE LIVE STREAM
May 15, 2021**

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

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: No owners addressed the Board.

OWNER FORUM FOLLOW-UP FROM LAST MONTH'S MEETINGS

President Skinner reported the Board heard from Randy Schneider, 6 Dixie Mtn. Lane, who commended SROA GM Lewis & Police Chief Darling for the great job they did in guiding the Rules, Education & Compliance Taskforce, of which he was a member, and encouraged the Board to move forward with the recommendations presented.

Cindy McCabe, 13 River Village Condo, once again thanked the Board for the improvements to Mary McCallum Park and expressed her desire to have the paving of the new walking path moved up. Again, clarification was provided that compressed aggregate will be in place for the summer and the paving of the path will be included in the fall road projects. Ms. McCabe also brought up the dust issue on the canoe takeout road and as was reported last month, SROA is working with the Resort and the Forest Service to determine a solution.

RECAP OF 5/15/21 WORK SESSION

President Skinner reported the Board received a COVID-19 update noting that we are now in the High-Risk category allowing us to accommodate more people at the SHARC facility at a one time. Hopefully, the positive case numbers will continue to drop, and we may be able to open to the general public at some point this summer. A sobering update on the challenges of filling all the summer recreation positions was given by staff. Staff was encouraged to take every measure possible, with the Board's backing, to fill positions. Staffing shortages are being felt at the local, state, and national level and there are no easy solutions.

Updates on the progress of the North Pool Complex and the Telecommunications Taskforce were received. There will be an Open House event at the North Pool Complex on Friday, June 11th from noon-6 P.M. for owners to tour the facility and talk with staff and the contractors. The pool will officially open on Saturday, June 19th. Owners are encouraged to purchase or renew their Member Preference cards for easy access to the facility once it opens.

The Comprehensive Owner Survey results and Recycle Center agreement were both reviewed and discussed at length. Both items are on the agenda for action today.

ACTION ITEM
BOARD MEETING MINUTES

Director Gocke moved to approve the minutes of the April 16th Joint SROA/SSD Board meeting as

corrected. Seconded by Director Murray, motion passed unanimously.

Director Mobley moved to approve the minutes of the April 16th SROA Board Work Session as corrected.
Seconded by Director Beenen, motion passed unanimously.

Director Burke moved to approve the minutes of the April 17th Regular Board Meeting as corrected.
Seconded by Director Murray, motion passed unanimously.

FINANCIAL

Treasurer Beenen referenced the financial packets included in the board binders and noted in general April was a strong month for SROA financially. Revenues came in \$3500 over budget and we are approximately \$50,000 under plan year-to-date. Department expenses are running significantly under budget, \$24,000, and materials and services came in at approximately \$104,000 under budget. Year-to-date we are running \$52,000 under budget in salaries and burden. Materials and services are \$236,000 better than budget plan year-to-date. Most of those dollars are actual savings, but Director Beenen cautioned that April had a very early closing due to the 1st falling on a Saturday so there were outstanding invoices that were not received until after the month end closing for April and those will be reflected in the May statements.

Non-operating revenue was approximately \$3,400 better than budget and non-operating expenses came in under budget as well by \$465. Year-to-date, we are \$8,500 better than budget.

Treasurer Beenen explained the process for uncollected maintenance fees, noting that after a given number of notices, the property is sent to collections who provide ample opportunity for the situation to be rectified. If steps are not taken to make the account current, a lien is placed on the property, and it is not lifted until the fees are paid by the current owner or until the property sells in which case the lien must be paid for the sale to proceed.

For the month ended April 30, 2021, there was a net operating surplus of \$47,983 which was \$127,542 better than budget. Operating revenues were over budget by \$3,530 due to the Recreation Plus Program (RPP) sales and community development permit and design fees. Salaries and burden were under budget by a combined \$24,194 mainly due to saving ins par-time labor in the recreation department and f/t positions open in recreation, public works, and natural resources departments. Materials and servicers were under budget by \$104,636 for the month. The quick timing of April's month-end close, savings in database consulting costs and contracted services contributed to the positive variance. As of this report date, the April's legal invoices have note been received.

Through the first four month of 2021, there was a net operating surplus of \$39,774 which was \$242,657 better than budget. Operating revenues were under budget by \$49,142 mainly due to the COVID-19 SHARC closure and Member Preference Program (MPP) sales trending behind budget. As of April 30th, MPP revenues were at 50% of budget and RPP sales were at 97.5% of budget. Salaries and burden were under budget by \$52,301 due to savings in recreation and open full-time positions. Material and services were under budget by \$236,369 year-to-date from the SHARC closure and timing of invoices/contract services.

There was a combined operating and non-operating surplus of \$944,183 through the first four months of 2021.

Total assets as of April 30, 2021, were \$35,814,294. Cash and investments totaled \$14,340,132, a decrease of \$436,300 from March. As of April 30th, investments included \$7,151,988 in short-term US

Treasuries of one year or less, \$1,250,000 in a two-year treasury, and \$4,750,208 invested in the CDARS program. There was \$182,186 in receivables from RPP sales at the end of April. Construction in progress items included the North Pool Complex project, replastering of the lazy river and spa at SHARC and the purchase of emergency radios.

April 30, 2021 (Year to Date Unaudited)

	<u>ACTUAL</u>
TOTAL REVENUE	\$3,421,005
TOTAL EXPENSES	\$3,381,231
OPERATING FUND SURPLUS	\$ 39,774

Director Gocke moved to approve the unaudited April 2021 financials. Seconded by Director Pederson, motion passed unanimously.

GENERAL MANAGER'S REPORT

GM Lewis noted this report will be for activities ending April 30th. The Rules, Education & Compliance Taskforce presented their report and recommendations to both the SROA and Sunriver Service District Managing (SSD) Boards at their joint meeting in April. Staff has begun implementing action items per the final report such as messaging, signage, etc. GM Lewis met with the local property managers last week to discuss the inclusion of an attachment of the SROA Rules & Regulations to their nightly rental agreements. SROA is requesting they provide us with current lists of the homes they manage so they can be contacted prior to SROA or the Police Department contacting the owner in the event of a rule's violation. All were receptive to the plan and understood how it adds to the value of Sunriver overall and makes it a more attractive place to come and visit.

Staff has been working on and coordinating with Police Chief Darling additional signage relative to the watercraft rule that be installed in various locations prior to the onslaught of summer. Staff is also moving forward on the implementation of the Incident Reporting Database.

An RFP for a consultant to assist with the review and update of the SR Design Manual and review process has been issued and the deadline to submit is Monday, June 7th. Reviews of those responses will be done in June, and we hope to begin the work in July.

In depth work with Jacobs Engineering for design of the Fir Cone Lane drainage pond including executing agreements with the necessary subcontractors for survey and test pit work has been ongoing since April. The design and necessary paperwork will be completed over the summer and the work will take place in the fall after the Woodlands golf course closes for the season.

After working with both the Resort and the Forest Service, it has been determined that a product called Earthbind can be applied to the canoe take-out road this summer. Earthbind™ is a quality, versatile and environmentally friendly modified biopolymer dust control agent that was developed to meet the need for a quality and environmentally friendly product that can be safely stored and easily applied. This product is applied to successfully combat dust and stabilize the road surface on many different types of unpaved roads, parking lots, etc. As a dust palliative and soil stabilizer this product works by binding loose soil or aggregate particles together, strengthening the soil/aggregate matrix and preventing particles from becoming airborne. A contractor has been hired and that work will occur on June 18th & 19th.

GM Lewis recently met with Deschutes County Commissioner Phil Chang regarding Sunriver and southern Deschutes County issues. GM Lewis also recently met with Tammy Baney, Executive Director of the Central Oregon Intergovernmental Council (COIC) to seek a Cascades East Transit bus route from Bend to Sunriver to entice workers from the Bend population base.

The preparation of land use permits from Deschutes County for improvements at Mary McCallum Park has started as has the required coordination with Oregon State Parks, the Department of State Lands, and others. This is a process that will take some time.

GM Lewis met with Police Chief Darling regarding Bike Patrol, staffing needs, and starting dates.

The Accounting Department presented the unaudited financial results to the Finance Committee and began the annual audit for the year ended December 31, 2020. Work continues on the owner coupon automation process.

The IT Department has hired the new database administrator, Gabriel Rice. He is already working on the Rules Education and Compliance database program.

IT staff working at North Pool Complex, assisting Recreation Department, and helping the Owner Enrichment Committee with presentations.

In the Communications Department, Scene advertising was at \$20,002, previous year was \$19,987.

The SROA website, www.sunriverowners.org continues to feature a COVID-19 page, which is updated frequently to ensure the most current information is available.

There were 196 reads of the online April Scene. We had five readers in New Zealand, five from the Philippines and three in Canada.

The SROA website was visited by 6,900 users in May with popular pages being weather, news, benefits/member preference program, and coronavirus.

The SHARC website was visited by 9,900 users with popular pages being COVID operations, aquatic hours, and indoor aquatics.

Sunriver Style was visited by 2,300 users with popular searches for pathways, river, and horseback riding.

Sunriver Tennis website: 670 views looking at tennis and pickleball facilities, lessons, and tournaments.

Social media posts are currently promoting recreational summer job opportunities as well as Sunriver's common rules and pathway rules.

Staff members are currently: promoting job opportunities, creating educational materials for the Rules Awareness and Compliance Task Force, and updating the recycling and questions webpage.

Communications staff has been in contact with the SROA board candidates with deadlines, Scene materials requests, appointments for video shoots, etc.

The Community Development Department continued their protocols for safe electronic submittals of applications/plans and for applicant meetings/contacts. There are currently 275 active projects/building permits (up 10% from last month.) The increase in active permits is due to the increase in new applications submitted in April as the weather got better.

A significant increase was seen in building permit final inspections as projects have been completed along with the additional inspections that the department has been able to be complete since the start of the new compliance officer.

General compliance inspections have increased dramatically since the addition of another code enforcement officer for design rule violations and response to owner complaints. Many non-compliance letters have been mailed in recent weeks.

The Natural Resources Department prepared and mailed ladder fuel reduction (LFR) courtesy letters. 1,500 ponderosa pine bare-root seedlings were wrapped and prepared into bundles of five to give to owners as part of our Arbor Day celebration.

Natural Resources staff continued Oregon spotted frog monitoring and egg mass surveys.

Staff responded to tree removal requests on private property.

Natural Resources Director Patti Gentiluomo organized and hosted an agency site visit and meeting with the Forest Service, Oregon Department of Forestry & Wildlife (ODFW), Deschutes County and the Sunriver Fire Department to discuss ladder fuel reduction and the upcoming wildfire season.

Director Beenen asked about how to best address enforcing rules regarding owners feeding wildlife? GM Lewis instructed Director Beenen to contact the Natural Resources department who can assist in education for owners who may not be aware of the rule, 3.04 A that prohibits the deliberate feeding of native wildlife except for birds.

Public Works has been busy with chipping downed trees, raking and re-seeding the area where the old courts were at Winners Circle, the resurfacing of the back five courts and the layout of the pickleball conversion at Tennis Hill. The Circle 4 tennis court project is scheduled to occur in the coming weeks. Cinders have been spread and bladed at the North RV yard. Roadway sweeping is complete including the south entry hardscape. A rogue trail near the Village has been blocked off to prevent further damage to commons.

Spring/summer preventative road maintenance will be completed by June 15th and major road work is scheduled for fall.

New paver pads and concrete tables are being installed at Mary McCallum Park and they look terrific.

Fleet Services conducted pump testing and servicing of the SR Fire Department Wildfire engines. Repairs are underway on the main chipper. Pool heaters at SHARC have been replaced and the emergency generator has been serviced and load tested.

Layout and excavation are underway on the new cinder storage facility. The building kit is on site and has been inventoried. The building will start being erected in the coming weeks.

The Recreation Department's major focus continues to be staff recruitment which the Board heard about

in greater detail yesterday. Recruiting efforts included producing four recruiting videos, holding an in-person job fair, radio ads, social media posts and a second job fair scheduled for May 22nd.

The department was faced with numerous challenges in the month of April due to the frequent changes in COVID-19 risk levels.

Staff is diligently preparing for summer operations at our various outlets. The outdoor pool has been drained, acid washed and cleaned, pool decks have been deep cleaned, installation of the new water play area for tots is underway and two commercial fans for the SHARC breezeway have arrived. Anderson Poolworks removed all the plaster from the Lazy River, Spa, and tot pools for resurfacing.

Staff filled six bags with trash on Earth Day when they conducted an exterior facility cleanup.

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 that while the SSD is still considering possible sites for a future public service building, it is looking like a remodel/expansion of the current fire station facility will be the most likely choice. A recent appraisal of the current fire station came in at \$2.7 million. A structural engineer has identified some deficiencies in the building such as maximum snow load, etc. that SROA, as owner of the building will need to address.

The police and fire chiefs are working with the SROA Communications Department to develop targeted emergency information and alert registrations for visitors, part-time and full-time residents.

The radio disconnect between the Sunriver and Lapine Fire Departments has now been resolved. Lapine is moving on to the same radio system which is imperative due to the mutual aid agreement we have with them.

Several of the agreements between SROA and the SSD were reviewed in detail this month. Both SROA and SSD staff have been involved in updating the agreements that will come to the SROA Board in June. The majority of the updates are housekeeping in nature.

The proposed 2021/22 SSD budget will be given by the SSD Budget Committee to the County Commissioners in early June for approval. The SSD fiscal year begins on July 1, 2021, and this approval is the final step in that budget process.

BOARD ACTION **COMPREHENSIVE OWNER SURVEY**

The Board received and reviewed the final summary of the most recently completed Comprehensive Owner Survey at yesterday's work session. Director Beenen noted there is a lot of information to digest and encouraged the Board to take some time to thoroughly review the document. He is personally concerned about the percentage decrease in the category that asked about how desirable of a place Sunriver is to live. While this may be because the survey came on the heels of a difficult summer, a direct impact from the overcrowding caused by COVID-19, he believes the Board should understand why that feeling exists. Additionally, Director Beenen feels it is time to get serious for a dog park.

Director Murray moved to accept the SROA Comprehensive Owner Survey Summary as presented.
Seconded by Director Schmid, motion passed unanimously.

BOARD ACTION
RECYCLING CENTER AGREEMENT

The Board reviewed and discussed this issue at length at the work session on Friday. Director Pederson thanked GM Lewis for all his hard work on the details of the agreement which include some important provisions.

Director Pederson moved approval of the three-party Recycling Center Agreement between SROA, Deschutes County and R.A. Brownrigg Investments, Inc., dba Cascade Disposal, regarding the construction, reimbursement and operation of a new recycling facility within the Sunriver community, on property owned by SROA and subject to a provision that ensures if Deschutes County and/or Cascade Disposal determines that recycling, or the use of the facility for recycling, is no longer needed, SROA will still be reimbursed the entirety of the \$600,000 subject to the terms listed in the agreement, or, if already fully reimbursed, SROA will not have to payback any of the \$600,000. Seconded by Director Murray, motion passed unanimously.

President Skinner noted this is all contingent on this summer's ballot measure passing. Ballots will go out to owners in early July and are due back by noon on Saturday, August 14th. Additionally, President Skinner thanked Communications Director Susan Berger and her staff for their extraordinary efforts on this issue as well as the assistance they have provided to the Rules, Education & Compliance taskforce.

BOARD ACTION
BOARD OFFICERS 2021/22

Director Schmid brought up the topic of the election of Board officers for 2021/22 and asked about the process to be used. President Skinner noted the Board will do as has been done in previous years utilizing the guideline provided in the Sunriver Bylaws, Section 2. Election & Vacancies. Director Schmid noted she is in favor of ladder effect i.e.: the assistant secretary becomes secretary, vice president to president, etc. as it provides that training year prior to filling an officer position.

President Skinner noted Vice President Gocke will be reaching out to the board members to gauge their interest in serving as an officer and the Board will then take action at the June meeting.

The Board held their meeting debrief.

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

Director Beenen moved to adjourn the meeting. Seconded by Director Mobley, the motion passed unanimously.

The meeting adjourned at 10:21 A.M.

Respectfully Submitted,

Jackie Schmid, SROA Secretary