

**SUNRIVER OWNERS ASSOCIATION
BOARD OF DIRECTORS WORK SESSION
SROA BOARD ROOM
JULY 16, 2021**

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

STAFF: James Lewis, Keith Kessariss, Joe Healy, Leslie Knight, Susan Berger, Steven Stanfield, Brad Olson & Mark Smith

The meeting was called to order at 9:00 A.M.

OWNERS FORUM: Al Klascius, 1 Ollalie Lane spoke about the conversion of SROA tennis courts to pickleball courts. He is in favor of the current conversion of six tennis courts to 15 pickleball courts but suggested waiting for the conversion of the six existing pickleball courts to hybrid tennis/pickleball courts. He suggested more community involvement and discussion as the need for more pickleball courts is rapidly increasing in Sunriver.

Cindy McCabe, 13 River Village Condo, spoke to three issues: 1. The Sunriver Women's Club picnic at Mary McCallum Park was a success and the new picnic area/tables were used; 2. Suggested signs at the existing recycling center stating that no garbage/dumping is allowed (based on an observation of such); 3. There is still dust on the Forest Service Canoe Takeout Road after observing Resort vans and buses generating dust.

Scott Hartung, 1 Lost Lane praised SROA staff for courteous and timely response to his questions and issues raised. He listed problems with scheduling lap swim times at the Member Pool. He stated perceived inconsistencies in the application of the ladder fuel reduction requirements between SROA commons and private properties, feeling that more stringent standards are applied on private property.

Jay Story, 14 River Village Condo, is concerned about visitors to Sunriver trespassing across condominium owned property to access the river. He suggested signs may alleviate the issue. He stated he was denied by the Design Committee when requesting signs that were identical to signs used by SROA. He stated that the condo association would place such at their expense if they could be approved.

Ed Pitera, 25 Quelah Lane, stated that SROA communications to owners regarding the recycling facility ballot measure have been inaccurate and misleading. He cited issues regarding the location being incorrect by referring that it is in the existing public works yard, a discrepancy in the size of the facility, that the potential truck traffic has not been evaluated, and that the cost may not be realistic due to the timing of the estimate and current conditions. Mr. Pitera also stated that he disagreed with the statement that the cost and delay associated with the Cinder Storage Building currently under construction were the result of an appeal of the land use permits through Deschutes County.

RECREATION OPERATIONS/STAFFING STATUS UPDATE

Recreation Director Steven Stanfield reported that since his last visit with the Board, we are now allowed to have more patrons in our facilities. Both pools are open five days a week due to ongoing staffing challenges with finding enough lifeguards, but we continue to strive towards having enough staff to open the facilities seven days a week. Another lifeguard class is being scheduled and we hope to get a few additional guards out of that class. The pools are currently open Thursday through Monday and closed on Tuesday and Wednesday.

The number of sessions per day at SHARC have been reduced from three to two sessions that run for a longer period. We now have one session that goes from 9:30 A.M. to 1:00 P.M. and a second session that goes from 2:00 P.M. to 5:30 P.M. The hour between sessions is utilized by staff to clean and sanitize the facility. We are ranging between 650-750 people per session and if people do leave during a session, others waiting are allowed to access the facility.

Two lap swim sessions are held at SHARC each morning starting at 7:00 A.M and running for 45 minutes per session. Additionally, one lap lane is open during the recreation swim sessions. Reservations are required for lap swimming and can be made via the SHARC website, www.sunriversharc.com > Plan Your Visit > Lap Swim Sessions. If a reservation holder has not shown up within 20 minutes of their start time, that time is forfeited and given to someone who does not have a reservation. Additionally, if a lap swimmer leaves a session early, another person waiting is allowed to finish out that lap swim time.

The Member Pool is available to owners with a current Member Preference Card and their guests, up to six, who must be accompanied by the owner and who must stay with their guests throughout the duration of their visit to the pool. Guests accompanied by owners can gain entry with one of the complimentary paper passes issued to owners or by paying \$10 per person. The pool is open 11:00 A.M to 1:45 P.M and from 2:30 P.M. to 5:30 P.M. The 45 minutes between sessions is used for facility cleaning, safety checks and lunch breaks.

Tennis instruction is going well, and Kyla is doing a great job. Clinics are filling up and a number of private lessons are being booked as well. The kid's clinics are especially popular and are full every week.

The café at SHARC, which is generally operated by an outside vendor, remains closed due to staffing challenges. Grab and go items are available and are being expanded to include more products. This operation has moved to the café location to make it possible to accommodate more choices.

While we did not budget for any events at SHARC this year due to the uncertainty of things, we have had a few events that were held over from 2020. Those have gone well, and staff has really rallied to assist in lieu of the fact that we don't currently have a events coordinator or day porter. Thus far we have been able to accommodate things, but we are already getting several requests for 2022 and we are also hopeful that by next year events like the ticketed concert, Turf Tunes, Uncorked, etc. will be able to return.

Recent staff discussions have identified the fact that we need an events coordinator on board, a position we did not budget for this year. The thought is to bring someone on in the fourth quarter of this year to get them trained and up to speed as well as allowing time for that person to foster relationships with interested parties to ensure their event is a success. Events such as the ticketed concert, Uncorked, etc. take a lot of planning in advance. Additionally, this person would be better equipped to assist groups such as the Owner Enrichment Committee and Sunriver You maximize their offerings.

GM Lewis added there is an expectation from our owners and the community that events that have been held in the past will return in 2022 and we are not currently staffed to provide the level of service our owners and guests expect. A function of any size requires adequate preplanning, and we want to be able to provide the assistance required for those events via an events coordinator. As this position is not budgeted for in 2021, the Board would need to approve the funds to hire said person for the last three months of 2021. Staff is prepared to provide the Board, at their August meeting, in seeking approval for the unbudgeted expenditure, a list of the events scheduled for 2022, a list of the typical local and SROA events that use the facility, a description of what is being requested staff wise, and a breakdown of the financial impact both from an expense perspective but also from a revenue generating standpoint.

Interim President Mobley commented he would support this proposal and it is largely based on the actions of the SROA management staff throughout the pandemic. They have done an extraordinary job in getting through the worst of times associated with operating our Association during this unprecedented time with a comfortable level of financial stability and success. They have been highly dedicated, creative, and focused on the big picture and have done a remarkable job.

GM Lewis added that it goes beyond the management team. Across the board, employees have been pulling double duty and have gone above and beyond their normal duties in order to provide the level of service our owners expect.

ADMISSIONS MODEL WORKGROUP UPDATE

GM Kessarlis provided a breakdown of current recreation statistics through the end of June.

A total of 5,210 Member Preference Program (MPP) cards were issued through the end of June 2021. This is approximately 1,360 more cards than this same time in 2020 but is a bit of an anomaly since SHARC was closed due to the pandemic in 2020. Member preference revenue is currently at \$360,556 or 90% of budget.

Owners can purchase or update their Member Preference Program (MPP) cards in person at SHARC, at the Member Pool if they just need to renew, over the phone, 541-585-5000 and online at sunriversharc.com > Programs > SROA Member Preference Program. Reservations are no longer necessary at the Member Services office, we are back to a first come, first served protocol.

In terms of the Recreation Plus Program, as of June 30th, there are a total of 824 properties signed up for the program. Revenue currently stands at \$1,976,326 which is 102% of the 2021 budget.

SHARC hosted a total of 14,801 attendees to the facility in the month of June. This, of course, is down considerably in comparison to pre-COVID where we hosted over 35,000 attendees to the facility in the month of June. Additionally, we were only open on weekends until June 19th of this year due to COVID-19 restrictions and staffing challenges.

There are still many unknowns about how the summer months will play out and staff will continue to monitor and follow the guidelines put out by the state and adjust accordingly.

Through the end of June 2021, 46,420 paper guest passes had been issued and of those 1,937 have been redeemed at SHARC and 761 have been redeemed at the Member Pool.

TELECOMMUNICATIONS TASKFORCE UPDATE

Director Beenen reminded the Board of the two current avenues being pursued: a new long-term agreement with Bend Broadband (BBB) or installing our own fiber to the home network.

As was reported previously, SROA has received the full draft agreement back from BBB and it was forwarded on to an attorney who specializes in telecommunications contracts for review. We have received their response which includes several comments most of which the taskforce had already identified along with a few additional suggestions. The taskforce, having just received this information recently, has not had an opportunity to review or have an in-depth discussion about it as a group, something that will take place next week. GM Lewis added he was happy the feedback from the attorney and looks forward to discussing it further with the taskforce.

On the build our own network side, the information we are getting as of late is pointing to the realistic possibility of SROA being able to do that. As was mentioned previously, discussions have been held with First Interstate Bank regarding possible funding which is much more favorable than we had anticipated. It's currently possible to get a 25-year loan at a 4.25 interest rate. Discussions have also been held with a network operator who has experience doing a project such as this with other owner associations and can bring the level of expertise needed to facilitate an endeavor such as this.

The taskforce is also supportive of having the budgeted engineering plan/study done to determine exactly what would be located where and how much it would cost. If we go with the option of owning our own system, it will be important to have that piece in place. The Board agreed this is a very important part of this issue and something we should move forward on. Since the money is already budgeted, no further action is required by the Board.

SKY PARK GATE REQUEST DISCUSSION

GM Lewis reminded the Board of the presentation they heard at the June Board Work Session from Douglas Keep, 8 River Road and Margaret Ward, 6 Lone Eagle Landing requesting a vote by the Board to change the Consolidated Plan to allow gates to be established over certain Sunriver roads. Mr. Keep and Ms. Ward presented information to the Board citing safety and security concerns of pedestrians and vehicles who are not familiar with airport safety regulations.

GM Lewis referenced the SROA Bylaws, Section 9. Initiative/Referendum which provides Association members the right to petition the Board of Directors for an election or initiative or referendum. The chief petitioners (no less than two) must appear before the Board at a regularly scheduled meeting and hand deliver a Notice of Intent to File Petition of Initiative/Referendum, something Mr. Keep & Ms. Ward did at the June 18, 2021, Board Work Session along with providing their proposed ballot measure language.

Unless the Board takes positive action on the proposal at this month's meeting, the chief petitioners may proceed to obtain the required number of voting member signatures to petition the Board for an election on an initiative/referendum. The required number of voting member signatures for a petition is five hundred (500).

Signers must be owners of record at the time the petition signatures are to be verified. Each signatory must give their property street address and may only sign once for each parcel owned. Only one signature is permitted for each parcel of property. The expense for conducting a special election would be the responsibility of the petitioners.

Mr. Keep, who was in attendance and in answer to Director Beenen's question regarding if this request would apply to all roads in Sunriver or just Skypark, noted the Skypark owners are asking for the Board to make an exception to this one case which would apply only to Skypark and are not proposing changing

the language for any other areas in Sunriver. They feel these are special circumstances that justify an exception. GM Lewis noted the final ballot language could be written to apply to all Sunriver, but what was submitted by the petitioners is specific to Skypark.

The Board held discussion on the matter and posed several questions to GM Lewis for clarification including the possibility of moving forward with extending the existing fencing in place to prohibit people from coming off the pathway into areas they should otherwise not be in. This is something that can move forward now and would not require a vote of the owners and is something GM Lewis and Public Works Director Mark Smith have discussed and feel from a safety standpoint it would be prudent to do.

Further discussion was held regarding possible action on this item at tomorrow's meeting.

DESIGN MANUAL UPDATE

GM Lewis reported an RFP was put out approximately a month ago to engage a consultant to review the existing Design Committee Manual of Rules & Procedures and provide recommendations for updating that document. We have received two responses, both are companies who are in the valley and GM Lewis is familiar with both. After those proposals were reviewed both by staff and members of the Design Committee the decision was made to go with MIG Consultants who have offices throughout the west including one in Portland. A contract has been enacted and the consultants will first spend a period of days in Sunriver to meet with staff and committee members and members of a taskforce that is being put together to assist the consultant in drafting revisions to the manual.

GM Lewis is organizing the taskforce that will be made up of SROA staff, Design Committee members, SR owners, architects/designers, contractors, realtors and the police and fire staff as necessary. GM Lewis will have this item ready for action at the August meeting. GM Lewis reviewed the timeline of the project noting the completion and report to the Board will come late in 2021 or early 2022.

SR RULES ENFORCEMENT UPDATE

GM Lewis reported as was discussed last month, the Nuisance Rule is in place and the data base that the police department has access to is up and running and ready to go. IT personnel will be providing training to the SR police officers soon.

Thanks to Communications Director Susan Berger, additional educational signage has been placed in numerous locations throughout our property and our website has a whole section dedicated to "Safekeeping in Sunriver." The kiosks throughout Sunriver have been updated with the Safekeeping information. Property managers are also including the Rules & Regulations as an attachment as part of their rental agreement.

According to Police Chief Darling enforcement has been a challenge with the addition of the Watercraft rule as a lot of education is necessary. Citations are being written and GM Lewis noted staff has received a few complaints from owners of vehicles who chose to park illegally despite clear signage instructing them otherwise and as a result received a \$250 fine. Bike patrol officers are manning the Cardinal Landing Bridge area daily which is helping in the effort to reduce the number of cars parking at that location.

SUNRIVER WATER RATE INCREASE REQUEST UPDATE

GM Lewis reminded the Board that back in May, Sunriver Water submitted to the Public Utility Commission (PUC) for a water rate increase of approximately 40%. SROA submitted to be an intervenor in the proceedings and the most recent movement was that the Administrative Law Judge for the PUC has established the maximum allowed hold on the proceedings which is for nine months. That hold went into effect on July 1st meaning they will have to decide by March 31, 2022.

An initial hearing took place via Zoom last week which basically laid out SROA's position and that the Association moved to intervene in the process. That motion to intervene was accepted by the Administrative Law Judge. An initial settlement hearing is currently scheduled for September where formal discussions will be held on the matter.

ANNUAL MEETING AGENDA DISCUSSION

GM Lewis reviewed the draft agenda for this year's annual meeting which will be held on Saturday, August 21st starting at 1:00 P.M. in Benham Hall at SHARC. GM Lewis also noted four short videos will be posted on our website prior to the meeting which will include a treasurer's update, rules awareness and compliance update, design manual update and a recreation update. GM Lewis also reviewed the items he will be addressing as part of the general manager report.

REVIEW OF 7/17/21 AGENDA

The Board reviewed the agenda for tomorrow's meeting.

In relation to the employee wage and appreciation bonuses proposed, Director Beenen is not convinced that a loyalty bonus for SROA employees is a good thing to do. He believes rewarding someone for a specific job well done would be a better system than providing a bonus simply for showing up to work every day. The Board held further discussion on adjusting the proposed program in preparation for action on this item at tomorrow's meeting.

OTHER BUSINESS **OWNER FORUM TOPICS**

Director Gillies referenced the quarterly Town Hall events via Zoom that Sunriver You facilitates and noted the subject/subjects for the next one in September will need to be decided prior to the next board meeting so staff can include information about it in the September edition of the Scene and on the SROA website. The group likes to limit it to no more than three topics. Discussion followed and SSD facilities, an update on telecommunications and a recreation department update were the three topics agreed upon.

OTHER BUSINESS **SSD BOARD MEMBER OPENING**

GM Lewis reminded the Board of the need to replace Director Schmid on the SSD Managing Board.

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

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

The meeting adjourned at 12:20 P.M.

Respectfully submitted,

Jackie Schmid, SROA Secretary