

**SUNRIVER OWNERS ASSOCIATION  
BOARD OF DIRECTORS MEETING  
SROA BOARD ROOM  
August 21, 2021**

**DIRECTORS PRESENT:** Jackie Schmid, Keith Mobley, Gerhard Beenen, Clark Pedersen, Bill Burke, Mike Gocke, Scott Gillies, and Mark Murray

**STAFF:** James Lewis, Brad Olson & Susan Berger

The Board of Directors meeting was called to order at 9:02 A.M.

**OWNERS FORUM:** T.J. Lindbloom, 17 Juniper Lane, spoke about his desire to see a pond dedicated to or that allows dog swimming and training. He questioned the use of the ponds on the golf course and was informed that SROA does not own those and that they are the property of Sunriver Resort, and permission should be sought from them.

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

GM Lewis reported that Al Klascius, 1 Ollalie Lane spoke about the conversion of SROA tennis courts to pickleball courts and suggested waiting for the conversion of the six existing pickleball courts to hybrid tennis/pickleball courts until more community input can be gathered.

Cindy McCabe, 13 River Village Condo, spoke about the success of the recently held owners' picnic at Mary McCallum Park, adding more signs at the recycle center and the fact that there is still some dust coming from the canoe takeout road.

Scott Hartung, 1 Lost Lane spoke about problems he was having with lap swim times which staff was helpful in solving for him. Mr. Hartung also spoke to the application of the ladder fuels reduction program and how it applies to private property versus commons.

Jay Story, 14 River Village Condo, spoke to problems they are having with trespassers at the River Village Condos and their desire to install signage to help alleviate the issue something they will do at their expense if they can get Design Committee approval.

Ed Pitera, 25 Quelah Lane spoke to the communication to owners regarding the recycling facility ballot measure. Mr. Pitera also stated he disagreed that the cost and delay associated with the Cinder Storage Building were the result of an appeal of the land use permits through Deschutes County.

**BOARD MEETING MINUTES**

Director Gocke moved to approve the minutes of the July 16<sup>th</sup> SROA Board Work Session as corrected. Seconded by Director Burke, motion passed unanimously.

Director Murray moved to approve the minutes of the July 17<sup>th</sup> Regular Board Meeting as corrected. Seconded by Director Burke, motion passed unanimously.

**FINANCIAL**

Treasurer Beenen referenced the financial packets included in the board binders and provided a detailed review of those for the Board.

## Income Statement

For the month ended July 31, 2021, there was a net operating deficit of \$45,748 which was \$97,459 better than budget. Operating revenues were better than budget by \$63,840 mainly due to Member Preference Program (MPP) and Recreation Plus Program (RPP) sales along with SHARC merchandise and fire equipment repairs. Salaries and burden were under budget by a combined \$47,810 mainly due to savings in part-time labor in the recreation department and a SAIF workers' compensation dividends check of \$19,900. Legal fees were over budget by \$8,002 due to June's legal invoice. As of this report date, the July's legal invoices have not been received.

Through the first seven months of 2021, there was a net operating deficit of \$94,965 which was \$486,725 better than budget. Operating revenues were over budget by \$45,768. As of July 31, 2021, MPP and RPP sales were at 107.8% and 103.9% of their respective annual budgets. Salaries and burden were under budget by \$220,331 due to savings in part-time labor, open full-time positions during the first half of the year and above referenced SAIF dividend. Material and services were under budget \$265,195 year-to-date from the SHARC closure, departmental savings and timing of invoices/contract services. This positive variance should continue throughout 2021. There was a combined operating and non-operating surplus of \$1,206,238 through the first seven months of 2021.

## Balance Sheet/Investments

Total assets as of July 31, 2021, were \$34,682,438. Cash and investments totaled \$12,557,008, a decrease of \$499,920 from June. As of July 31, 2021, investments included \$7,205,297 in short-term US Treasuries of one year or less, \$1,250,000 in a two-year treasury, and \$2,500,164 invested in the CDARS program. The annual billing for the new RV contracts were invoiced in July and posted to deferred revenue. Construction in progress items included SHARC pool heaters, running fiber to Ft. Rock Park, Mary McCallum Park upgrades, and pool covers for the Member Pool.

July 31, 2021 (Year to Date Unaudited)	
	<u>ACTUAL</u>
TOTAL REVENUE	\$6,311,073
TOTAL EXPENSES	\$6,406,038
OPERATING FUND SURPLUS	\$ (94,965)

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

## GENERAL MANAGER'S REPORT

GM Lewis noted this report will be for activities ending July 31<sup>st</sup>. As several of the items included in this report were covered at yesterday's work session, GM Lewis will not go into detail on those unless there are any specific questions.

Staff continues to work with McKenzie Architects regarding Oregon DEQ penalties at the Member Pool and the responsibilities for those costs.

Staff continues to work with legal counsel on the proposed Sunriver Water rate increase and service area expansion. Director Murray noted that it is typical for a utility to come out with a proposed significant rate increase, but it will not likely end up being more than a 10% or so increase.

The Police Department personnel have been trained on how to use the incident reporting data base and

while they have entered information on some properties they have not gotten to where a property has reached the nuisance property level.

The Accounting Department processed new long-term RV agreements which begin and end on the same billing schedule of July 1<sup>st</sup> to June 30<sup>th</sup> each year. Additionally, over 30 property transfers occurred in July along with additional RPP and MPP sales that kept the accounting staff busy.

The IT staff modified the incident reporting database by adding SSD IP addresses for vehicles and office for access through the firewall. Training was provided to the police officers for the database. Staff works with the police on updates and management of the system.

A cross reference to the Deschutes County situs addresses has been set up for the Community Development department.

The recent power outage caused a few issues that staff was able to resolve.

Almost a year to the day, the outdoor pool at SHARC was broken into with lifeguard chairs and reels being thrown into the pool. Cameras captured the culprits and police have tried to identify them to no avail to date.

On to the Communications Department, GM Lewis commended Susan Berger and until a recent re-location, Linda Donohue for their extraordinary efforts over the past 18 months. The demand that has been put on a 1.5-person department for signage, email blasts, constant updates, and links to the websites, creating the Safekeeping Sunriver campaign materials along with a host of other tasks and publishing the monthly newspaper has been nothing short of daunting and they have done an incredible job.

In the Communications Department, Scene advertising was at \$19,002; previous year was \$16,417.

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 253 reads of the online July Scene.

The SROA website was visited by 13,000 users in July with the most popular pages being tennis and pickleball, member pool and weather.

The SHARC website was visited by 24,000 users with the most popular pages being swim sessions, reservations, and outdoor aquatics.

Sunriver Style was visited by 5,000 users with the most popular searches for river, pathways, fishing, and what's going on.

Sunriver Tennis website: 2,100 views looking at tennis and pickleball facilities, lessons, and contact us.

Social media pages continue promoting recreational summer job opportunities as well as Sunriver's common rules and pathway rules.

Projects for the Communications staff included making "NO Fireworks" banners for both entrances into Sunriver, revamping and integrating the tennis/pickleball website into the SROA website that can be viewed at [www.sunrivertennispickleball.com](http://www.sunrivertennispickleball.com). All SROA-managed facilities are now under our primary

website's umbrella. New signage for the tennis and pickleball court conversions were created. Linda Donohue's replacement, Erin Mohr is scheduled to begin work next Monday.

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

There are currently 359 active projects/building permits, up 25% over the month of June.

The increase in active permits was primarily due to administrative actions, smaller scale projects such as new paint, windows, air conditioning units and additions/remodels.

In the Natural Resources Department ladder fuels reduction has started on commons. Staff prepared and mailed ladder fuels reduction violation letters and continued private property noxious weed inspections.

Final preparations for this year's virtual War on Weeds (WOW) weeks from August 1<sup>st</sup> through the 14th were completed. Weed bags can be picked up at the SROA Admin office.

Staff continues mapping and pulling noxious weeds on commons. Staff completed numerous site visits regarding tree removal requests and provided noxious weed identification guidance on private properties.

The Public Works crews who have seen a big increase in the number of brush/limb piles they are chipping completed a full round of chipping in August. Owners have September and October to put their piles out for pickup before the chipping rounds cease for the year.

The Fort Rock Pickleball conversion is complete and on budget with just a few punch list items remaining. The conversion is starting on the playground courts.

The canoe takeout road was graded again. Tunnel marking is complete. Fall road projects have been selected, the RFP has been released and contractor selected.

The pools heater replacement at SHARC is complete as are the repairs to the Chemtrol systems. Staff worked with Anderson Pools to get a few kinks worked out at the Member Pool.

Two new Public Works employees have been hired thanks in part to the Board approving the increase in starting wage for those positions.

The Recreation Department experienced a hot month in July which brought a lot of people to SHARC. Sessions were adjusted from three per day to two. The time of the sessions was increased to 3.5 hours. The session ranged from 300-750 people per session depending on the number of lifeguards working each day. The removal of the reservation system resulted in a far better experience for both staff and guests.

The tot pool project is near completion with the sand filter repaired, flooring installed, water lines and water features installed and operational. The last step is getting filtration and jetting the main drain to flow.

Several new hires joined the staff at SHARC including two aquatic supervisors and front desk staff members. Additionally, two new lifeguards were graduated, and the aquatic supervisors were certified.

Several events including a wedding, reunions and a Sunriver Music Festival fund raiser were all held at SHARC in July.

Operations at the Member Pool are going smoothly with two, first come, first serve sessions being held each day plus lap swimming. Sessions are not completely full most of the time.

Over 1,000 Member Preference Program (MPP) cards were issued in July.

The Fort Rock Refreshments stand is open for the season for grab and go snacks and beverages.

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.

President Mobley thanked Director Schmid for her service as liaison to the Owner Enrichment Committee and the relationship that has been fostered there.

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

Director Beenen reported the SSD Board remains very focused on their quest for a new facility. They now have a design that takes the existing fire station facility and adds on to the second floor as well as some expansion on the main floor to accommodate the police department and a common area. There are also plans to add a decontamination room as well as the addition of another ambulance bay. Estimated cost is \$15.5 million which does not include an acquisition cost. For the SSD to receive any significant grant funding to assist in the execution of this project they would need to own both the land and the building, both of which are currently owned by SROA. It was noted that any sale of land would have to have voter approval to move forward. It was also noted that any ballot measure to change the existing tax cap, which currently maxes out at \$3.44 per \$1,000 assessed value, would only go to owners registered to vote in Deschutes County which is approximately 20-25% of the ownership.

The architect also identified the structural issues currently existing in the equipment bay at the fire station. As the building is owned by SROA, we are responsible for the structural integrity of the building. Currently, it can hold a maximum of 18 inches of snow/ice on the roof at one time. The roof trusses can be reinforced with metal plates which would eliminate the problem. Rough estimate for that work would be over \$400,000. If commenced now, it could be completed prior to the winter months but we would have to move quickly as it will take three to four months to complete the work. The other option would be to have someone on retainer that would keep the roof of the bay shoveled. The SROA Board will need to determine what they want to do and when they want to do it. The Board held further discussion on the matter and consensus was to hold off on the roof truss reinforcement for now and shovel the roof if it becomes necessary.

Director Beenen reported Fire Chief Moor is supportive of lowering the number of cords of wood an owner is allowed to have from five cords to two.

Additionally, Director Beenen noted the increase in the number of parking citations that have been written this summer illustrating the increased patrol, new rules in place and additional signage are all having the desired effect.

Police Chief Darling announced the creation of a new position he has filled titled a Community Service Officer to accommodate a new hire that is replacing one of the two officers leaving the SR Police Department. This person needs to attend the police academy program which is full for this year. As Chief Darling does not want to lose this person, this position will allow them some onsite training while they

wait for an opening at the academy. As the department is still down an officer, there is the budget to hire this person who can respond to general calls and assist as necessary.

It was also noted that Fire Chief Moor noted an uptick in EMS calls in the past month.

The approved minutes of the June 17, 2021, meeting are included in the board binders.

**BOARD ACTION**  
**COMMITTEE APPOINTMENTS/RESIGNATION**

Director Pederson moved to approve the resignation of Laurence MacLaren from the Nominating Committee and thank him for his service to SROA. Further move the approval of the appointment of Terry Durocher as a member of the Election Committee. Seconded by Director Beenen, motion passed unanimously.

Director Beenen moved to approve the resignation of Steve Phares and the appointment of Corey Wright from alternate to full-time voting member of the Finance Committee. Further move to thank Mr. Phares for his service to SROA. Seconded by Director Pederson, motion passed unanimously.

**BOARD ACTION**  
**CERTIFY ELECTION RESULTS**

Director Murray move to certify the results of the 2021 SROA election including the election of three SROA Board members; Keith Mobley, Tony De Alicante and Paul Coughlin for a three-year term beginning in September 2021 and ending August 31, 2024, the affirmative changes to Section 8.05 of the Consolidated Plan and the failure of the Recycle Center measure. Seconded by Director Schmid, motion passed unanimously.

**BOARD ACTION**  
**RESOLUTION 2021-001 AMENDMENT TO QUALIFIED RETIEMENT PLAN**

Director Pederson moved approval of Resolution 2021-001 amending the Association Employee Qualified Retirement Plan to lower the minimum age requirement for participation from 21 to 20 years of age. Seconded by Director Beenen, motion passed unanimously.

**BOARD ACTION**  
**APPROVAL OF DESIGN MANUAL REVIEW TASK FORCE**

Director Beenen moved to authorize the creation of a taskforce to participate in the update of the SROA Design Committee Manual of Rules & Procedures pursuant to the report and Five Point Directive and list of participants provided. Seconded by Director Murray, motion passed unanimously.

**BOARD ACTION**  
**SHARC SEPCIAL EVENT COORDINATOR HIRE**

Director Murray moved approval of the non-budgeted expenditure to rehire a special events coordinator for the SHARC facility with a scheduled start date of September 1, 2021. Seconded by Director Schmid, motion passed with 7 yea and 1 nay votes.

**BOARD ACTION**  
**FIR CONE LANE DRAINAGE CONTRACT**

Director Murray moved to approve a construction contract in the amount of \$585,373.99 with Marcum & Sons LLC to complete the Fairway Crest Village IV (Fir Cone) drainage improvements, and to further authorize signature thereof by the President of the SROA Board of Directors. Seconded by Director Burke, motion passed unanimously.

**BOARD ACTION**

**RESOLUTION 2021-002 – SSD MANAGING BOARD POSITION 2**

Director Pederson moved to approve Resolution 2021-002 to the Deschutes County Commissioners recommending Gerhard Beenen to fill Position 2 of the Sunriver Service District Managing Board for a term beginning September 1, 2021 and ending August 31, 2024. Seconded by Director Schmid, motion passed unanimously.

**BOARD ACTION**

**SROA EMPLOYEE MANDATORY VACCINATION POLICY**

**Mandatory Vaccination Policy**

In accordance with SROA's duty to provide and maintain a safe and healthful workplace that is free of known hazards, it is adopting this policy to safeguard the health of our employees and their families; our customers and visitors; and the community at large from COVID-19. This policy will be implemented in a way that complies with all applicable laws and is based on guidance from the Centers for Disease Control and Prevention and local health authorities, as applicable.

Unless a reasonable accommodation is approved, all SROA employees must be fully vaccinated against COVID-19 by October 18, 2021, or six weeks from the first full Federal Food and Drug Administration approval of a vaccine, whichever is later (the "Effective Date"). Employees shall be required to provide proof to HR that they are fully vaccinated, or have an approved accommodation in place, by the Effective Date. The requirement applies to all existing employees, as well as all future hires until this policy is rescinded.

SROA shall pay for any time taken to obtain a vaccine in order to comply with this policy. Employees should work with their managers to schedule appropriate time to comply with this policy, if needed. Any employee who is found to be non-compliant with this policy shall be subject to termination (or other discipline as deemed appropriate by SROA); in SROA's discretion, any such employee may first be placed on unpaid leave while SROA investigates or otherwise determines their employment status.

Employees in need of an exemption from this policy due to a medical or disability-related reason, or because of a sincerely held religious belief, must submit a completed Request for Accommodation form to HR as soon as possible after this policy is announced. SROA shall consider requests for reasonable accommodation (based on disability or religious status, or as otherwise required by applicable law) on an individualized basis. Accommodations will generally be granted where they do not cause SROA undue hardship or pose a direct threat to the health and safety of others.

Any questions regarding this policy should be directed to the General Manager or HR Director.

Director Murray moved approval of the mandatory employee vaccine policy. Seconded by Director Gocke.

Director Pederson noted it's not an easy decision for him to restrict personal choice for anyone, but to protect the health and safety of our workplace given the advanced age of many of Sunriver's residents, and the fact that our staff members work with youth who are not eligible to be vaccinated he will, after having carefully considered, vote in support of this mandate.

Director Schmid noted the latest news from St. Charles is that all elective surgeries have been cancelled due to the overwhelming number of COVID-19 patients they are treating, the majority of which are unvaccinated individuals.

Call for the question: Motion passed unanimously.

**OTHER BUSINESS – BOARD ACTION**  
**SROA SECRETARY**

Director Murray agreed to serve as secretary for the next year. Director Schmid moved to approve the appointment of Director Murray as the SROA Secretary for the next year. Seconded by Director Burke, motion passed unanimously. Thank you, Director Murray!

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

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

The meeting adjourned at 11:23 A.M.

Respectfully Submitted,

Jackie Schmid, SROA Secretary