

**SUNRIVER OWNERS ASSOCIATION  
BOARD OF DIRECTORS MEETING  
SROA BOARD ROOM  
JULY 15, 2023**

**DIRECTORS PRESENT:** Clark Pederson, Bill Burke, Gerhard Beenen, Scott Gillies, Larry Ishmael, Keith Mobley, Julianna Hayes & Linda Beard

**DIRECTOR PRESENT VIA ZOOM:** Tony De Alicante

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

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

**NUMBER OF ATTENDEES:** 6

**OWNERS FORUM:**

Gunnevi Humphries, 10 Topflite Lane: Also submitted written correspondence. Ms. Humphries reiterated that she sent a letter to the Board four months ago regarding a lien against her property for \$125 levied via a citation and the SROA Magistrate. Ms. Humphries requested the Board remove the lien from her property. Ms. Humphries stated that through the Magistrate hearing process, SROA staff misled the Magistrate.

Paul Conte, 8 Mckenzie Lane, also submitted written correspondence. Mr. Conte stated that Director Gillies made false and disrespectful statements at the May 20<sup>th</sup> board meeting regarding Mr. Conte and his wife with regard to the ongoing discussions about plant protections.

Carol Barrett, 19 Plover Lane, discussed increasing noise at the Sunriver airport, particularly with nighttime operations. She cited sections of the SROA Rules & Regulations regarding noise as well as the airport flight pattern directions. She questioned if the airport could limit the hours of operation to not allow nighttime operations.

Debbie Wightman, 3 Conifer Lane, addressed two issues. 1.) She questioned the rationale about an owner not being allowed to remove a Ponderosa tree that was close to a home and damaging the gutter. 2.) She noted the use of all types of ebikes on the pathways. She suggested working with the property management companies to make visitors aware of the rules.

Scott Hartung, 1 Lost Lane, and as the previous airport manager, provided extensive information about the existing ownership/lease, recent construction, and overall operations at the Sunriver airport. Mr. Hartung stated that other than distancing the taxiway from the runway the other dimensions of the runway are the same as when originally constructed and their operations must comply with Federal Aviation Administration (FAA) regulations.

The airport was one of the very first amenities put in Sunriver, even before the lodge. It has always been under the Resort's umbrella and no owner fees have ever gone towards maintaining the airport. The airport as it exists now is under a long-term lease agreement with a private group. The work that's been done out there over the past several months has been done by that group as a way of improving the airport facilities and making them safer. There has been no change in the dimensions to the existing structure and in fact the work completed recently was to rebuild the runway to the exact same dimensions that it was

previously. There is no plan or objective to bring in larger aircraft or to increase the number of planes flying into Sunriver. Mr. Hartung noted that the number of planes flying into the community has been down considerably since he was the manager at the facility. They averaged approximately 40k operations per year when Mr. Hartung was there. That number was 14k for 2022, so flights into and out of Sunriver have dropped significantly in the last several years.

The airport does publish suggestions about traffic and noise abatement, but the airport has no authority over airplanes. Once a plane leaves the ground, it is in FAA airspace, and it is FAA regulated. The airport is in fact prohibited from telling pilots what they can and cannot do. The largest aircraft that come into Sunriver are Global Express or Challenger jets which depending on configuration can carry 12-18 passengers.

When people are concerned about the aircraft coming over their homes, it's generally when it is on an instrument approach which is a published route that the FAA dictates you must follow so those pilots don't have an option other than coming in straight to the runway. One often sees this when there is bad weather, but pilots can fly instrument any time of the year and certain aircraft above a certain weight and altitude have to be flying on instrument by rule.

As was mentioned earlier, SROA owners fees have never been used to support the airport, although SROA does maintain the apron in front of Skypark and the taxiway from the runway to there. This is paid through additional monies the owners in Skypark pay on a monthly basis for maintenance of those areas including paving and snow removal in the winter.

The private group that now leases the airport has been solely focused on making the airport FAA compliant, safer, and just better all around for the aircraft coming into Sunriver. The taxiway has been moved away from the runway to meet compliance with the FAA and an automated weather reporting station which gives the aircraft information on other things such as noise abatement, etc.

There is a request that airplanes follow a traffic pattern that says stay west of the river. This is the opposite of what is done at most airports. The overall rule that affects anything and everything is that a pilot is allowed to do anything and everything they need to fly safely. There are FAA rules about how low a pilot can fly their airplane, however that does not include ascent and descent to and from an airport.

Ms. Barrett, 19 Plover Lane, questioned if the airport has control over and can declare what hours the facility is open, and should they not conform to the Sunriver quiet hours of 10 P.M to 7 A.M.? Mr. Hartung responded that is regulated by the FAA. The airport has all of the physical requirements for both daytime and nighttime operations. While they may have set hours for when the fixed base operator is on site, the airport itself is available for landing and takeoff before and after those fixed hours.

GM Lewis commented that he has invited the current airport manager to attend a Board Work Session and provide an update for the Board from their perspective.

Lastly, Mr. Hartung commented he is amazed how complex and complicated board business is these days and he, and many others in this community, very much appreciate the fact that this Board takes the business seriously while still maintaining a sense of humor. The hard work this Board does on behalf of all owners is refreshing and greatly appreciated.

GM Lewis read one letter into the record from Sarah Dulak, 37 Fremont Crossing who wrote in response to the email that was sent to some owners from Sunriver Concerned Citizens regarding supporting a particular candidate in this year's election. Ms. Dulak writes that she was appreciative of the email sent

from SROA clarifying that the election email that was sent was unauthorized and not in any way sanctioned by SROA. Ms. Dulak feels this group's campaign is egregious and deliberately deceptive, particularly considering our large coalition of elderly voters. This is not simply disingenuous but is overtly manipulative of a population who might not realize, even now, that this was an inappropriate and unauthorized communication. Ms. Dulak further writes that this is, in her opinion, severe enough that the Board should disqualify the identified candidate if he was acting in collusion with this campaign.

#### **OWNER FORUM FOLLOW-UP FROM PREVIOUS MONTH**

Director Beard followed up with Paul Conte, 8 McKenzie Lane who she has met with three times. As a gardener herself, she understands and deals with the same issues in her garden, so she is very sensitive to his feelings on the issue. Director Beard commented she does not think there is any exact resolution to his issues at the moment, but she believes we can all live here peacefully. As was reported last month, in the interim, no fines will be assessed to any owner who currently has plant protections in place, something that Director Beard did reiterate to Mr. Conte. Ms. Beard commented that she hopes the Design Committee will take into consideration that people are just trying to protect their property and investments.

President Beenen followed up with Don & Tina Freel, 28 Maury Mtn Lane, regarding their comments relative to President Beenen's article in the May edition of the Scene with respect to the rainbow sticker at SHARC. President Beenen emphasized to them that although the sticker was removed, SROA still maintains that everyone is welcome to SROA facilities and informed them of the Peace Pledge. They were appreciative of the follow-up and no further action is necessary.

#### **RECAP OF 7/14/23 BOARD WORK SESSION**

President Beenen reported the Board heard an update from Stacy Wesson of Cascara Vacation Rentals. The Nominating Committee provided their recommendation for Position 5 on the Sunriver Service District Managing Board, recommending Denney Kelley. Assistant GM Kessarlis provided an update on recreation statistics, Recreation Director Leigh Anne Dennis provided an update on day-to-day operations at the recreation facilities, and GM Lewis and President Beenen provided an update on the Transient Room Tax (TRT) Taskforce activities. The Board reviewed and discussed the SSD ground lease that is on the agenda for action today and received an update on the review of plant protections by the Design Committee. The Board discussed the agenda and presentations as well as seating arrangements for the Annual Meeting on August 19<sup>th</sup> and discussed owner correspondence and the need to summarize those comments while providing the entire submission as part of the board materials. The Board held a discussion on the inappropriate email that was sent to some owners regarding this year's board member election and the Board's desire to let the election play out. The Board reviewed the agenda for today's meeting. The Board held an Executive Session to discuss a personnel matter.

#### **BOARD ACTION** **BOARD MEETING MINUTES**

Director Pederson moved to approve the minutes of the July 14, 2023, board work session meeting minutes as corrected. Seconded by Director Beard, motion carried unanimously.

Director Pederson moved to approve the minutes of the July 15, 2023, board meeting minutes as written. Seconded by Director Burke, motion passed unanimously.

#### **BOARD ACTION** **FINANCIALS**

Treasurer Pederson reported the Association's operating budget surplus for the month was \$72k and variance for the month was \$121k. There was an early closing for the month of July due to the holiday so

not all of the utility bills were received prior to the month-end close. Additionally, the change in concert approach to an artist who is less well-known resulted in a smaller deposit being required in advance also contributed. Year to date, the variance is \$93,423, part of which are from the Caldera check that came in for the plotting of more lots, the owner pool settlement and higher interest income on cash investments. The variance in expenses came from open salaried positions and interest income.

In regard to non-operating expenses, the month of July ended with a deficit of \$40k, most of which was for ladder fuels that were technically contracted in 2022, but final work was not completed until the end of June. There will be reimbursement through the County grant that was received last year. We received the first \$175k last year and once all the paperwork for the work most recently completed is submitted and processed, we will receive an additional \$175k.

The variance on the non-operating revenue was \$183,667 year-to-date. This is due in part to the \$74k grant received to redo signage in Sunriver as well as interest income. Total surplus year-to-date is \$526,179 in place of the small deficit that was budgeted for.

Treasurer Pederson reminded the Board that the reserve specialist will be in Sunriver in August to perform a full reserve study for the Association.

In replacement reserves, we are starting to see some activity with the new tunnel having been completed at a total cost of \$505k. SHARC replacement reserves paid for the painting of the facility and the plastering of the indoor pool.

Per a request from President Beenen, a new "Aging Summary" category was added to the key data sheet. This is primarily for tracking the total dollars in maintenance fees, citations, fines, etc. Total dollars due equals \$171,653. There is over \$60k due in the "current-30 day" category which is due in a significant part to the fact that the billings for long-term storage went out recently. There was approximately \$100k worth of billings sent out and to date approximately 1/3<sup>rd</sup> of those owners have paid. In the "over 120 days) category the total is \$102,493 and includes judgements that are within ten years. Approximately \$35k of that is for three owners who have unpaid fines. Liens have been placed on these properties and two of them have progressed towards legal action to take steps towards foreclosure.

For the month ended June 30, 2023, there was a net operating surplus of \$72,317 which was \$121,614 better than budget. Operating revenues were over budget by \$1,366. Positive variances in Recreation Plus Program (RPP) and Member Preference Program (MPP) pass sales along with higher than planned interest income was partially offset by shortfalls in recreation special programs and event revenues. Salaries and burden were under budget by a combined \$48,896 mainly due to open part-time positions in the recreation departments. Materials and services were under budget by \$80,056 due to the early timing of the month-end closing and savings in the ticketed concert event costs.

Through the first six months of 2023, there was net operating surplus of \$107,162 which was \$351,194 better than budget. Operating revenues were over budget by \$93,423 mainly due to a Cladera expansion payment, interest income, and positive variances in design review and park reservations. Year-to-date MPP and RPP revenues are at 81.1% and 99.3% of their respective annual goal. Salaries and burden were under budget by a combined \$161,462 through the first half of the year, this positive variance is expected to continue throughout the year. \$340,370 has been earned in interest income year-to-date in the operating and reserve accounts. As of June 30, 2023, there was a combined operating and non-operating surplus of \$1,050,652 which was \$526,179 better than budget.

Total assets as of June 30, 2023, were \$38,422,541. Cash and investments totaled \$16,766,707, a decrease

of \$655,898 from May. As of the end of June there was \$15,804,279 invested in US Treasuries with durations between 90-day and 2-year and average yield of 4.58%. Receivables for owner’s fees (maintenance fund, storage spaces, fines) and RPP payment plans were \$173,653 and \$162,398 respectively with \$90,000 in reserve for uncollectibles on the receivables. The annual storage space fees were billed in June and the second installment payment for RPP passes was received at the beginning of June. Fixed assets placed into service in the 2<sup>nd</sup> quarter of 2023 included: plastering of the SHARC indoor pool, conduit to the Member Pool, SHARC AV system, VFD starters and return grating. In the second quarter there was \$532,320 spent on the tunnel project, ladder fuel reduction work and road/pathway asphalt. We are awaiting the next reimbursement payment for the ladder fuel grant of \$173,000.

June 30, 2023 (Year to Date Unaudited)

	<u>ACTUAL</u>
TOTAL REVENUE	\$6,380,733
TOTAL EXPENSES	\$6,237,571
OPERATING FUND SURPLUS	\$ 107,162

Director Burke moved approval of the unaudited financial statements for the month ending June 30, 2023.  
 Seconded by Director Ishmael, motion passed unanimously.

**GENERAL MANAGER’S REPORT**

GM Lewis reported his recap for activities in June.

GM Lewis continues to participate in the Central Oregon Intergovernmental Council (COIC) Board of Directors meetings as the Tourism and Recreation representative. This will continue to be a monthly on-going participation through end of term of December 31, 2024.

Continues to attend Sunriver/La Pine Economic Development (SLED) Board regarding coordination with south county efforts economic development efforts. This will continue to be a monthly on-going participation.

GM Lewis continues to work with SROA legal counsel regarding a number of items.

GM Lewis continues to attend and participate in the regular monthly meetings of the Owner Enrichment, Finance, and Covenants committees and the Admissions Model Workgroup.

GM Lewis met with representatives from Deschutes County Road Department and Sunriver Resort regarding further improvements to South Century Drive specifically looking at the entrance to the Business Park, Harper Bridge area as South Century and Huntington Road to the south of Crosswater and Caldera. The County is hoping to put out an RFP this fall for an engineering company to prepare a design for the Spring River Road by Harper Bridge and the South Century/Huntington Road intersection. GM Lewis requested that SROA be kept in the loop on the project as it moves forward.

GM Lewis attended a fifth meeting with the Central Oregon Intergovernmental Council (COIC) staff to identify needs and partners to prepare for the development of a South County Strategic Planning process.

GM Lewis has had ongoing meetings with TDS staff regarding the physical construction and eventual migration of owners to fiber and SROA account. Monthly update meetings will be held to keep SROA staff up to speed on TDS’s progress.

In the Accounting Department, Controller Healy prepared the unaudited financials for the period ending May 31, 2023.

Accounting staff presented the audited financial statement for the period ended December 31, 2022.

Long-term RV space billings were sent out in June.

Accounting staff worked with the SSD on accounting and HR transition to outside vendor.

Accounting staff have assisted owners in registering to make their maintenance fee payments online. To date, 620 owners have signed up.

In IT, login scripts for automated drive mappings were created.

Discontinued the Stormwinds staff training, a \$1200 savings as we have moved to a different training module.

IT staff implemented more secure password policy.

Worked on new solution for tech recycling. Use software BitRaser and wipe laptop hard drives using NIST requirements.

IT staff created a notifications program from Lenel for gate security issues.

The tax lot ID in the database has been cleaned up.

IT staff assisted in producing mailing lists for yearly election.

The gate access schedule was updated.

IT staff worked with Public Works on the replacement of the projector screens in Dillon and Pringle. This was a huge success thanks to Greg Koozer, Sam Bieber, and Nick Nyden from Public Works.

The guest wi-fi has been upgraded.

IT staff updated call routing for Member Pool and tennis/pickleball instructors.

IT staff assisted Angela on using iPad at Owner Boat Launch for member verification.

IT staff finished cell phone replacements.

In the Communications Department, Scene advertising was at \$21,532 (June 2022 was \$20,525.)

There were 279 reads of the online June Scene. Readers from other countries include Costa Rica, Sweden, Niger, Germany, and the Philippines.

The SROA website was visited by 11,000 users in June with the most popular pages being weather, pickleball, Member Pool, tree flagging, Member Preference Program.

The SHARC website was visited by 18,000 users with the most popular pages being aquatic hours, rec swim, admission, outdoor aquatics, and plan your visit.

Sunriver Style had 3,300 visits with popular pages being pathways, what is going on, river adventures, and getting here.

June eblasts included information about the new Design Manual of Rules & Procedures release, the start of summer recreation swims, siren testing, shred event, ticketed concert, tennis pro/clinics, no fireworks, & community picnic.

Additional projects for Communications included creating all new application forms, checklists and schedules for Community Development related to the release of the Design Manual.

Created Jobe Fortner poster and started marketing the event on social media, print, and website.

Pushing Sunriver rules and pathway rules on social media as a reminder to owners and guests.

Ballot materials finalized and set off to the printer, with ballots mailed the first week of July.

The Community Development Department reports the Design Committee meetings continue to occur on a regular schedule with multiple items on each agenda – the two June meetings had a total of six items combined – 2 and 3).

There are currently approximately 369 active projects/building permits (up by 55 from the previous month of May.)

The number of applications submitted in June was down from the same month in 2022 - from 135 in 2022 to 121 in 2023.

Community Development staff continued issuing compliance letters for design and rule violations.

Community Development staff participated in Magistrate Hearings for background on violations and citations.

Community Development staff continued to assist with updating of all the forms related to the Design Manual, which are also available on the website.

Worked with the Design Committee on continued discussion of plant protections.

The Natural Resources (NR) staff prepared and mailed ladder fuels reduction deficiency letters.

NR staff sprayed noxious weeds on commons.

NR staff started private property noxious weeds inspections.

NR staff continued planning for the 23<sup>rd</sup> annual War on Weeds (WOW). WOW runs from August 1<sup>st</sup> to 14<sup>th</sup>. All owners are encouraged to volunteer to help with this important effort.

NR staff mailed WOW invitations postcards to 347 new owners.

NR staff started bull frog monitoring.

The 2023 LFR contracts for commons have been awarded.

Natural Resources staff responded to many phone calls and emails and performed site visits regarding tree removal requests on private property.

Public Works – Relocated the water line at the waterfall circle to increase coverage.

Cleaned up, graded, and treated the canoe takeout road.

PW staff completed weekly safety check at playgrounds.

PW staffs the river access for owners five days a week.

PW staff have added the daily cleaning of the Mary McCallum restroom to their schedule.

Daily pickup of 63 trash cans along 34 miles of pathways.

The road striping and pathway markings are all complete.

The Street Saver Road evaluation project is complete.

In Fleet Services, repairs to loader emission systems and brake accumulator are completed.

The Parts Room has been inventoried.

The Café water heater was installed and isolated from other plumbing features.

The exterior painting of the SHARC facility is complete, no more purple.

At the Member Pool, the modulating valve for the recreational pool was repaired.

All pools and facilities are working at speed.

In Recreation, the 2023 MPP sales continue to be well received with few comments about the price increase.

June visits at the Member Pool were down 699 over 2022 no doubt due to the cold weather the third week of the month.

We are seeing historical high numbers at the Café and for gate admissions.

Turf Tunes has been very well received with lots of owners and guests enjoying this weekly offering.

The Sunriver Solstice tennis tournament was a hit with 127 matches played over 2.5 days.

The Sunriver Slam Pickleball Tournament is scheduled for September 15<sup>th</sup>-17<sup>th</sup>, the same weekend as Uncorked.



The August 26th Jobe Fortner ticketed concert was announced.

Recreation staff have done a fabulous job handling the crowds while keeping their spirits up, choosing to focus on making member and guest experiences memorable.

### **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**

President Beenen reported the construction activity on the new Public Safety building will be fenced in next week and once in place, access will be restricted. If you need to get to the Fire Station, you will need to call ahead and make arrangements.

A conditional job offer has been made to Bill Boos for the Fire Chief position. Mr. Boos started his career in Sunriver and will be returning from the Bend Fire Department. He has a lot of history in Sunriver and is very excited to return to the community. He will start within the next month.

There has been a lot of activity around Cardinal Landing Bridge, particularly with people jumping from the bridge, which is prohibited. The SSD Managing Board would like SROA to place bigger signs there than the ones currently posted.

The SSD Managing Board approved the ground lease with SROA at their meeting yesterday.

Fire Department staff recently participated in swift water training where they practiced retrieving people from the Deschutes River.

The Fire Department is working on getting a new ambulance. It takes approximately two years from the time ordered to delivery date at a cost of approximately \$400k.

The Police Department has posted the Police Chief job opening and has received approximately 18 applications including both internal and external. They are currently reviewing those and deciding which will be considered for interviews. SSD Managing Board member John Shoemaker, who is on the hiring committee, commented at their meeting on Thursday that he's very impressed with the qualifications of the applicants.

The minutes of the May 18, 2023, meeting are included in the board binders.

### **BOARD ACTION** **2<sup>nd</sup> QUARTER TRANSFER**

Director Pederson moved approval of the transfer of \$524,113.56 from The Regular Reserves and \$276,912.03 from the SHARC Reserves to the Operating Fund for the 2023 Second Quarter Acquisitions. Seconded by Director Beard motion passed unanimously.

### **BOARD ACTION** **2022 OPERATING SUPRPLUS TRANSFER TO RESERVES**

Director Mobley moved approval for the 2022 year-end transfer of \$582,992 from the Operating Fund to the Reserve Fund. Seconded by Director Burke, motion passed unanimously.

**BOARD ACTION**  
**SROA/SSD GROUND LEASE SR BYLAWS SECTION IX**

Director Pederson moved to approval of a ground lease for \$40,000 per annum and sale of the fire station for \$1.00 to the Sunriver Service District as attached to facilitate the construction and operation of a public safety facility to house the Sunriver Fire and Police Departments. I further move that the Board President be authorized to sign all documents on behalf of SROA. Seconded by Director De Alicante, motion passed unanimously.

**BOARD ACTION**

**RESOLUTION 2023-002 SSD MANAGING BOARD RECOMMENDATION POSITION FIVE**

Director Ishmael moved approval of Resolution 2023-002 recommending to the Deschutes County Commissioners that Denney Kelley be appointed to Position 5 of the Sunriver Service District Managing Board for a term of service beginning on September 1, 2023, and expiring August 31, 2026. Seconded by Director Hayes, motion passed unanimously.

**BOARD ACTION**

**RESOLUTION 2023-003 SSD MANAGING BOARD RECOMMENDATION POSITION ONE**

Director Pederson moved approval of Resolution 2023-003 recommending to the Deschutes County Commissioners that Tony De Alicante be appointed to Position 1 of the Sunriver Service District Managing Board for a term of service beginning on September 1, 2023, and expiring August 31, 2026. Seconded by Director Hayes, motion passed unanimously.

**BOARD ACTION**

**RESOLUTION 2023-004 SSD MANAGING BOARD RECOMMENDATION POSITION TWO**

Director Hayes moved approval of Resolution 2023-004 recommending to the Deschutes County Commissioners that Larry Ishmael be appointed to Position 1 of the Sunriver Service District Managing Board for a term of service beginning on September 1, 2023, and expiring August 31, 2024. Seconded by Director Mobley, motion passed unanimously.

**OTHER BUSINESS**

**OWNER COORESPONDENCE**

GM Lewis commented that after yesterday's work session he received the email that had been sent to the Board from Paul Conte, 8 McKenzie Lane with a subject line of : "False & misleading statement by James Lewis."

This was in reference to the update that was provided to the Board at the Friday work session relative to plant protections and where the Design Committee is on that issue. It basically addressed two things. It was a follow-up and update on where the Design Committee is in the process of revisiting the issue of plant protections. GM Lewis sent the Board an email in this regard yesterday.

GM Lewis noted that he and Assistant GM Kessariss were talking about the fact that the old manual did not have a provision in it for plant protections, unless specifically allowed by Design Committee. Mr. Conte referenced the section in the old Design Manual of Rules & Procedures, Section 9.04, Tree Protections, saying that they were allowed. GM Lewis points this out as when the Board considers this, after having received a recommendation from the Design Committee, these are actually two different things. The reference to the old manual, Section 9.04 that Mr. Conte was referring to, saying tree protections were allowed, are for required tree/root zone protections during a construction project. If you have a project approved by the Design Committee and there are trees that are not authorized to be removed, orange fencing is put around those trees to delineate that those trees are not to be removed and the roots are not to be disturbed. Once the construction project is completed, that fencing is required to be

removed.

What the GM's were referring to and what the Design Committee is working on, are plant protections desired by the property owner for introduced landscape. It could be for an existing tree, but it is a totally separate issue from the required protection of tree root zones during major construction.

Secondly, GM Lewis takes issue with Mr. Conte's assertion that GM Lewis is not being honest with the Board and Design Committee as well as his integrity in working with the Board and the Design Committee and the community at large. In short, staff does not have a recommendation on this issue. This is a decision for the Design Committee and the Board of Directors. Staff has provided the committee with all of the relevant issues and information necessary to have a fully-fledged rounded discussion to consider all the issues. The Design Manual of Rules & Procedures taskforce has weighed in on the issue, but this is ultimately a decision of the community. Mr. Conte's statements claiming that GM Lewis is clearly biased and dishonest are unfounded. GM Lewis has simply provided clarity between the old manual and what is being considered currently.

Additionally, in regard to enforcement, the committee will consider enforcement while also being cognizant of how those rules will be enforced. The message that has been conveyed to the Design Committee is that anytime a rule is being considered it needs to include what the benefit is to the community, what is the right thing to do and what is the best rule to put in place. Staff can weigh in and advise what challenges a new rule will bring, but it is ultimately up to department directors to monitor that and then come back to the Board at such time as the budget is being prepared and present those challenges to the Board.

GM Lewis also noted that none of the SROA staff members in Community Development live in Sunriver so they do not have a personal stake in the final decision and there is no incentive or rationale for them to try to impose what they believe on the Design Committee or the Board. The Design Committee is not succumbing to what staff are telling them, that's simply not true. The Design Committee has a high degree of integrity, and they are looking at every issue the Board requested they research.

Treasurer Pederson thanked GM Lewis and the Community Development Department staff for providing the Board and for doing the needed background work to provide the Board with the information necessary to make an intelligent decision. The decisions on rules largely falls on the nine board members in representing all the owners and while the Board can modify or even rewrite rules, the background information that staff provides is extremely helpful in assisting the Board and those efforts are appreciated.

Director Mobley seconded what Director Pederson said, noting that when you look around Sunriver, it is something that the Board can be proud of. The SROA staff members, some of whom have been with the organization for many years, take a lot of pride in their work and that is evident by just looking around. Director Mobley also noted his appreciation for staff providing background and historical data when necessary, allowing the Board members to be well educated on a given topic.

Treasurer Pederson also noted that Mr. Conte's statements directed at Director Gillies were not accurate. Director Gillies was referencing owners in general and was not singling out Mr. Conte. Obviously, the Board gets lambasted too and in Director Pederson's opinion, those comments were completely unnecessary. Treasurer Pederson thanked Director Gillies for his efforts on this Board, which Director Mobley heartily seconded.

There being no other business, President Beenen asked for a motion to adjourn.

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

The meeting was adjourned at 11:40 A.M.

Respectfully Submitted,

Scott Gillies, SROA Secretary