

**SUNRIVER OWNERS ASSOCIATION  
BOARD OF DIRECTORS WORK SESSION  
SROA BOARD ROOM  
AUGUST 18, 2023**

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

**DIRECTORS PRESENT VIA ZOOM:** Julianna Hayes

**STAFF:** James Lewis, Keith Kessariss, Patti Gentiluomo, Mark Smith, Leigh Anne Dennis, Kellie Allen,  
Susan Berger, & Jesus Mendoza

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

**OWNERS IN ATTENDANCE:** 12

**OWNERS FORUM**

Tom Wimberly, 12 Pine Bough Lane, spoke about the need for indoor tennis courts for the winter because Sunriver Resort has converted all of their indoor courts to pickleball (this is a follow-up to comments he made two meetings ago.) Mr. Wimberly conducted a survey of the Sunriver tennis club, and he provided some statistics on the results indicating a desire for indoor courts. He also provided information about the various types of court covers.

Phil Angelides, 10 Pine Bough Lane, Mr. Angelides echoed Mr. Wimberly's support of indoor tennis courts. He discussed the legacy of Sunriver being a tennis community and that tennis is important for multiple physical and mental health reasons. Mr. Angelides provided specific costs for various types of court covers. Mr. Angelides suggested that funds planned for new or refurbished courts could possibly be diverted for a cover.

Wendy Ferguson, 3 Jackpine Lane, commented on two different issues. First were comments about the need for additional pathways in the Meadow Village area to prevent the dangerous situation of residents needing to walk or bike on the roadway to get to the pathway system. She suggested some signs to let motorists know that they are sharing the roadway with bikes/pedestrians. Secondly, she commented that a second and/or third gate should be added to the pickleball courts fences in case of an emergency egress being necessary.

Paul Conte, 8 McKenzie Lane, stated that he would be submitting a petition for a ballot initiative at the Saturday Board business meeting regarding the Design Manual of Rules & Procedures rules for plant protections. Mr. Conte stated that the initiative included three principles for considering any rules regarding plant protections. Mr. Conte also stated that he disagrees with the current direction that the Design Committee is headed in this regard.

Stephen Aloia, 5 Redwood Lane echoed the comments of Mr. Wimberly and Mr. Angelides regarding the need for indoor tennis courts. Mr. Aloia and his wife both play tennis and it is one of the main reasons he purchased property in Sunriver. While he and his wife both enjoy pickleball as well, tennis is their number one sport. Mr. Aloia also supports more tennis tournaments returning to Sunriver.

**GM Lewis summarized the following comments to the Board received prior to the meeting.**

Marcia Blasen, 8 Lookout Lane, wrote in support of the SHARC staff and the difficulties they have to deal with when they have to inform visitors that the facilities are closed due to smoke. Ms. Blasen thanked the Board for supporting safe operations at SHARC for both those visiting the facility and the staff.

Joanne Beck, 9 Big Sky Lane, submitted comments asking for Director Ishmael to resign from the Board and questioned what steps owners can take in this regard.

Mary Anne Gard, 24 Gannet Lane, commented on the SROA Board election and the controversial email that was sent using the SROA logo. She referred to the comments made by candidate Bob Tiernan on a local news broadcast as unsettling.

**Vice President Burke noted there was also a submission from Director Julianna Hayes who was unsure if she would be able to attend today's meeting today.**

Julianna Hayes, 10 Sandhill Lane, "As a resident and board member I would like to make a comment regarding the recent events regarding board member Ishmael. Like many of our residents I'm saddened and surprised by what happened regarding the false email around the election. I share the views that many of our residents brought up in the special board meeting (August 3<sup>rd</sup>). It was incredibly inappropriate.

What I am particularly disappointed in is the fact that when we discussed the same issue as a Board (July 14<sup>th</sup>), Director Ishmael in no way admitted to being involved nor did he explain what happened. He sat there silently as we pondered for hours what had happened, why, and how to fix it. I consider this silence to be a lie.

Director Ishmael also made a comment in the special board meeting (August 3<sup>rd</sup>) that General Manager James Lewis, in a way, gaslit our residents by sending out a clarification email. James was simply trying to set the record straight. What I consider gaslighting is having a colleague sit across the table from me for hours pretending he knew nothing about an issue that he had caused. Director Ishmael also said that this issue was a "nothing burger." If he really believed that he should have spoken up at once and explained what had happened.

I'm disappointed that these actions have hurt the reputation of the SROA Board, and I would respectfully echo other requests that Director Ishmael resign."

**SUNRIVER AREA CHAMBER OF COMMERCE**  
**KRISTINE THOMAS – EXECUTIVE DIRECTOR**

GM Lewis introduced Kristine Thomas, Executive Director of the Sunriver Area Chamber of Commerce. Ms. Thomas inquired how many in the room are signed up to receive emails from the Chamber. She encouraged everyone to sign up to keep up on what is happening with their local chamber.

Ms. Thomas publishes two online newsletters each week. The first one that comes out on Monday's is an opportunity for businesses that are chamber members to share what they are doing. The second one comes out on Wednesday's and lists all the events happening in Sunriver and south Deschutes County.

Ms. Thomas noted she started working as a contract employee for the Sunriver Area Chamber of Commerce in January of 2021 through a grant that the previous director Kent Elliot had received through Deschutes County to hire a team, which included Ms. Thomas and Emery Daggett who owns the marketing department. They worked for the chamber for a year doing the social media, assisting with writing articles, etc. When Kent Elliot retired in December of 2021, Ms. Thomas was hired as the new executive director.

One of the most important things that Ms. Thomas has been focused on is partnerships. Ms. Thomas sees the Chamber's role as supporting everyone and it's really important that different entities in the community connect on a regular basis. Ms. Thomas noted the Chamber has a great partnership with SROA and in fact, Assistant General Manager Keith Kessar is a member of the Chamber Board, which Ms. Thomas noted she is very thankful for.

Recently when Ms. Thomas wanted to start a once-a-month Saturday Market, Assistant GM Kessarlis greatly assisted her in finding a spot over by the SHARC basketball courts to locate the four-hour market. Ms. Thomas noted there are two more scheduled for this year on September 9<sup>th</sup> and October 14<sup>th</sup> and she invited those in attendance to come and see what is being offered by local craftspeople. It's also a way to support small business owners. Ms. Thomas commented that finding affordable physical space in Sunriver is the biggest challenge small businesses face right now.

In April of 2022, the Chamber closed their physical space in the Business Park. This decision by the Board was due to the fact that the Board felt the money being spent on rent could be better utilized if invested in the community, such as After-Hours events, ribbon cuttings for new members, etc. Now instead of members visiting the office, Ms. Thomas goes and visits them one-on-one and works with them, answering any questions they may have, etc. Ms. Thomas commented that different businesses can require different types of assistance. Some need help with social media, some with funding opportunities, some with marketing ideas, so there are a variety of things she is happy to assist businesses with.

Ms. Thomas also noted the Chamber has great partnerships with the Sunriver Women's Club, Sunriver Resort, The Village @ Sunriver and the Sunriver Nature Center, just to name a few, so she is always looking for ways to support people.

The Sunriver Chamber also has a great partnership with the LaPine Chamber of Commerce. They host a breakfast get together every February, and in March of this year they hosted sixth, seventh, and eighth grade girls from Three Rivers School as well as other area women to attend a Women in Wonder lunch as a way to inspire the young women in the community. Additionally, Ms. Thomas is working with a counselor to include both the girls and boys from the middle school grades in the next event in March of 2024. They aim to help provide direction to kids who don't know yet what they want to do in life. Having them sit down and visit with mentors talking about their careers and life experience can be a big help to them.

The Sunriver Area Chamber also publishes the Sunriver magazine once a year. This is yet another illustration of the good partnerships the Chamber has with the community. Ms. Thomas noted her appreciation for SROA Communications Director Susan Berger for being a second set of eyes on the publication. Ms. Thomas also noted the cover picture was taken by Sunriver owner Scott Fenton. The Chamber holds a yearly contest for the cover shot, but the other pictures that are considered for the cover shot are also published in the magazine and which are on pages 102-105 of this years edition.

Director Burke noted his appreciation for the weekly email newsletters the Chamber puts out. It's nice to see what all is going on in south county on a regular basis.

President Beenen inquired if businesses are doing well or not to which Ms. Thomas responded that yes, things are going good for businesses in the local community. Of course, summertime is always better, and the Chamber is always looking for new ways to attract people during the off-season times.

One event that was tried last winter was an "ornament quest." Ms. Thomas worked with local craftspeople, Disturbed Threads, Houser House Creations and Meandering Maker to create the ornaments which were then hid at different businesses in the Village and people had to go around to the different businesses to try to find them. If they were lucky enough to find an ornament, they then won a gift card, so they are always looking for creative ways to bring people, especially the locals, in to shop locally.

President Beenen noted his understanding is that one of the reasons the Resort has decided to replace their indoor tennis courts with pickleball courts is that they can then host tournaments that are held in the shoulder seasons.

Assistant GM Kessariss who has been on the Chamber Board for a little over seven years, commented that Kristine has done a fantastic job at the helm. The energy level has increased greatly, and the business owners too are seeing that connection between the Chamber and their business as well as other businesses in the community. Kristine has provided that support that businesses were looking for.

President Beenen inquired as to whether or not the Chamber will start hosting the Community Potlucks again and Ms. Thomas responded that is something she will be discussing with the Chamber Board. Right now, she is the only employee and hosting those functions requires more than just one person as there is quite a bit of work involved.

Ms. Thomas noted that the Chamber Board meets once a month except for July and August when there is no meeting held. She encourages anyone who has ideas or issues they would like the Chamber to address to attend those meetings and address the Board. Their next meeting will be the second Thursday in September.

GM Lewis shared the Kristine also works part-time for SROA in the Communications Department assisting department director Susan Berger. Having spent most of her career as a newspaper reporter and editor she was happy to help with the Scene, a job she thoroughly enjoys. She enjoys working with Susan and Shae writing stories, helping with the layout, and doing some editing.

In regard to working with government officials, Ms. Thomas noted that Deschutes County Commissioner Patti Adair is on the Chamber Board, and she also interacts with Commissioners Toney De Bone and Phil Chang on a fairly regular basis. Additionally, she is currently working with several others from south Deschutes County on the future of southern Deschutes County. Kathy De Bone is heading that effort up.

The Board thanked Ms. Thomas for being in attendance today and providing this update.

### **ELECTION RESULTS**

Election Committee Chair Patty Smith reported on the results of the SROA election that closed on August 12, 2023.

Ms. Smith reported that 4211 ballots were mailed out and 1485 were counted. The three incumbent board members, Bill Burke, Scott Gillies, and Clark Pederson were elected to another three-year term on the Board.

Bill Burke received 1241 votes, Scott Gillies received 1160 votes, Clark Pederson received 1348 and Bob Tiernan received 538 votes. One ballot was invalid as the owner identified themselves on the ballot, 11 envelopes were unsigned and there were nine ballots that were undeliverable.

Director Pederson inquired how the ballots that are returned as undeliverable are handled. Ms. Smith reported that staff uses the information on file for the owner to try to contact them and obtain a correct mailing address so the ballot can be resent to them. In most cases, owners are reached out to the day their ballot is returned. Some owners get back to staff to update their information and some do not.

Director Burke thanked Patty and her committee for their hard work on behalf of SROA.

### **ADMISSIONS MODEL WORKGROUP UPDATE**

Assistant GM Keith Kessariss provided a breakdown of recreation statistics for the month of July.

As of July 31, 2023, a total of 6,825 Member Preference Program (MPP) cards have either been purchased or renewed. Of that total, 5,456 were renewals and 619 were new cards. The remainder are extended

household, long-term renter, or commercial passes. This is 54 more than the end of July 2022. At the end of July, the MPP revenue totaled \$571,203 or 95% of the annual budget. Mr. Kessarlis also reminded the Board that 70% of our use at SHARC in regard to attendance actually comes after July 1<sup>st</sup> and goes through the end of the year.

In regard to the 2023 Recreation Plus Program (RPP), as of July 31, 2023, there were 916 homes and/or condominiums signed up on the program. Last year at the same time there were 915 properties participating in the program. Mr. Kessarlis also provided a breakdown of the RPP's by the number of bedrooms. Revenue at the end of July stands at \$2,448,319 or 99.8% of the 2023 budget. While we might get a couple more properties on the program before year end, the majority of owners who plan to participate in the RPP program have signed up.

Gate revenue is currently sitting at \$379,223 or 64.6% of the budgeted \$587,050. This is welcome revenue after not being able to accommodate gate fees during the pandemic due to the capacity limits on the facilities.

SHARC hosted a total of 62,366 attendees to the facility in the month of July compared to 56,161 in 2022. Of that number, 5,150 were owners, 44,069 were RPP pass holders, 248 were member guests, 521 were extended family, and 7,934 were gate admissions. Year to date, overall attendance is at 132,784, an increase of 12,562 guests over 2022. Recreation Director Leigh Anne Dennis and her team have done a fantastic job of accommodating all these visitors to SHARC.

The total Member Pool attendance through the end of July was 11,433 compared to 11,038 in 2022. Overall attendance for the Member Pool for 2022 from June through September was 20,039 visitors.

By the end of July 2023, staff had issued 47,820 paper guest passes and of those 7,056 have been redeemed at SHARC and 2,548 have been redeemed at the Member Pool.

Mr. Kessarlis reminded the group that owners can update their MPP card in a variety of ways. It can be done in person at SHARC, or if just renewing it can be done over the phone, 541-585-5000 and online at [sunriversharc.com](http://sunriversharc.com) > Programs > SROA Member Preference Program. The Member Services office is open seven days a week from 9:00 A.M.– 4:30 P.M.

Facility event space rentals are picking up some with a number of events on the books in the coming weeks. We are currently at \$38,648 or 30% of the annual budget of \$128,500. Alexandra Haupt continues to do a great job engaging with owners and guests, but we may end up with a small shortfall in that category. One other thing that is affecting revenue is the fact that there have been more owner events than general public events and those owner events are charged a lower rate than the general public.

A new statistic that has been added to this report is for tennis/pickleball. Currently our net profit is \$58k with expenses of \$35k resulting in \$23k net to the good, and \$19,500 better than budget. This is due in part to increased pickleball use. Additionally, we had another successful Sunriver Solstice Tennis Tournament back in June and the demand for pickleball lessons has also increased this year.

Turf Tunes went really well this year, and everyone seemed to enjoy the offerings. These concerts are now done for the season.

The Board thanked Assistant GM Kessarlis for his report and update.

### **PAID LEAVE OREGON**

HR Director Kellie Allen reported that on January 1, 2023, the State of Oregon began implementation of Paid Leave Oregon, the state's program for providing protected, paid time for family leave, medical leave, and safe leave. Employees and employers began paying into the fund January 1, 2023.

Paid Leave Oregon began accepting applications for benefits on August 14, 2023, and will begin paying benefits to employees as of September 3, 2023. Paid Leave Oregon is administered through Oregon's Employment Department.

As Paid Leave Oregon is a state law and will soon become available for employee access, an employer policy regarding its availability and use is an important addition to the employee handbook.

For statutory compliance, it is recommended that the policy regarding Paid Leave Oregon be added to the benefits section of SROA's employee handbook.

This item is on the agenda for action at tomorrow's meeting.

### **STRATEGIC PLAN 2030 TASKFORCE CREATION/FIVE POINT DIRECTIVE**

Assistant GM Kessarar provided a brief overview of the basic tenets for developing the 2030 Strategic Plan and the need for a taskforce to conduct research, finalize the scope of work, provide key input for implementation recommendations, and seek staff input where appropriate.

The primary goal of the taskforce is to develop an association-wide strategic plan for the next seven years that SROA can utilize as a responsible guidebook with disciplined efforts to produce fundamental decisions and actions that shape and guide what SROA embodies, with the support of the Board of Directors and the members of the community. The plan will enable SROA to be prepared strategically and financially, to meet its obligations and fiduciary responsibilities over the next seven years.

Foremost to the livability of Sunriver, is to retain the integrity of blending the developed areas with the natural elements of the community. These factors, including demographic diversity, must be considered throughout the strategic planning process in order to continue to enhance the quality of life, retain the natural environment, and preserve property values (in conjunction with our Mission Statement).

The creation of a taskforce comprised primarily of owners along with stakeholders from the community with specialized expertise in strategic planning that can greatly assist in identifying existing issues and future needs/methods to implement an association plan of this magnitude. The list of recommended owners/members was provided to the Board. In addition to owner participation, the taskforce will also be comprised of the following groups:

- SROA Staff (2-4)
- SROA Board Liaisons (4 max)
- Sunriver Service District Representatives
- Key Community Partners (Resort, Village, local Property Managers)

This item is on the agenda for action at tomorrow's meeting.

### **DESIGN COMMITTEE TRAINING/PLANT PROTECTION UPDATE**

GM Lewis reported he is continuing to work with the Design Committee, before and since the launch of the new Design Manual of Rules & Procedures. Training has been focusing on thorough review of the application, the basis for rationale needing to be put clearly in writing including the criteria and whether or not that criterion has been met. Additionally, if there are conditions of approval, those need to be clearly

spelled out. A written guide has been provided for each committee member to use when they are writing/making a motion. This provides a better basis for an owner to understand how and why a decision was made as well as creating an accurate paper trail for that property moving forward. Additionally, we also now have a consultant designer who has expertise in the field and will also provide valuable information.

Also noted was that all committee meetings are open to the public with the exception of the Nominating Committee meetings.

Assistant GM Kessarlis reported that the Design Committee, at the end of their most recent meeting on August 11<sup>th</sup>, undertook the direction received from the Board regarding revisiting plant protections in Sunriver. What the committee worked on specifically was in regard to deer browsing. The plant protections they are researching and discussing are specific to tree protection. They did not, at this meeting, discuss beaver protections which is a different kind of browsing than deer browsing. The committee would like to hear from representatives of the Nature Center and/or certified arborists who can provide some insight that will assist them crafting a recommendation that will satisfy the beaver issue.

GM Lewis added that part of what the committee is trying to figure out, and it is not simple, is if protection of vegetation, be it a shrub or a tree and especially if it is newly planted is allowed, how long does that protection apply. If you provide some protection, at what stage do you get from the issue of survivability of the vegetation to it's now going to survive but the deer will probably still munch on it so at what point should plant protections be removed.

President Beenen commented his understanding is that Assistant GM Kessarlis is also reaching out to other community association to find out what they do in their communities. Assistant GM Kessarlis answered in the affirmative noting that Caldera Springs allows for no plant protections of any kind but across the road at Crosswater, they do allow plant protections and do not have any time limit associated. Black Butte allows protection of trees only for up to one year, and Brasada's protections are geared more toward rabbits than deer so their rules are a bit different.

The committee will continue to work on this issue in hopes of bringing their recommendations to the Board in September. It will then be up to the Board to accept those recommendations or not.

Director Mobley provided an observation noting the definition of right is quite flexible and it's a decision of this Board as to what will be right, but it's made up of opinions of many of us so it is important to remember that right is a difficult definition, and will be the subject of much controversy, but it needs to be of a civil nature. That's one of our criteria that should always be remembered that as we debate so carefully and extensively these questions that are variously demonstrated in other communities across Central Oregon. Patience, and caring are important to remember.

### **2023 ELECTION EMAIL ISSUE**

President Beenen commented he would like to talk about next steps in this issue. The Board has heard a lot of input from owners both orally and in writing. President Beenen also wants to provide Director Ishmael an opportunity to update the Board on his perspective noting the Board received Larry's written input this morning. President Beenen reported that he and GM Lewis have had discussion with our legal counsel on the matter who have provided a little bit better understanding of what options might be available moving forward.

Director Ishmael noted that at the special meeting held on August 3<sup>rd</sup>, the Board mentioned doing an investigation that would not be able to be completed prior to today or tomorrows meetings. Director Ishmael noted that he would like to provide, not just information, but facts about the sequence of events that happened.

Director Ishmael commented that it's difficult because the email that GM Lewis sent to the community kind of established the perspective that Mr. Ishmael was trying to deceive people, etc., which is not in fact true. Director Ishmael sought to enumerate exactly what happened and when it happened and also answer some comments regarding Director Hayes' earlier written statement.

Director Ishmael noted that his written statement that was provided to the Board members, was previously provided to President Beenen, who has been very good in handling this difficult situation which Director Ishmael appreciates. Director Ishmael read the following into the record:

“To Fellow Board Members  
Here is the order of events as they occurred:

The following email was sent to a select number of friends/colleagues on July 10, 2023. There were approximately 101 emails sent out to likely supporters of Bob Tiernan. The only way to distinguish between the two groups comprising the email list was to put the header of Sunriver Board of Directors logo (no one has proven that the logo has been trademarked as there is no indication on the logo suggesting that). Constant Contact requires that an address be put in before sending and the voter's envelope was right in front of the sender, so they used it. It also made sense because the sender only included using the drop box in the lobby and many owners are non-resident owners.

Further, there was no statement to vote for only one person, the group endorsed one candidate. Note the comment below Bob Tiernan's name that said that you could vote for 1, 2, or 3 candidates, so it did not exclude any other candidates (which the voter ballot did not). There were no derogatory comments about any other candidates.”

Director Ishmael went on to say that the following email was then received by Sunriver Concerned Owners from GM Lewis, who also copied the SROA Board, the Election Committee Chair, and the Candidate Forum Moderator:

Good Morning – To Whom it May Concern:

The attached document is a copy of an email that was forwarded to the SROA office from one of our owners – (it was sent to our Executive Assistant Becki Sylvester who sent it to me to address with you.)

My primary concerns are: 1.) that the email uses the official SROA logo; 2.) it also uses the SROA P.O. Box address as the contact address for the Sunriver Concerned Owners; and 3.) it refers to the election as a “Special Election.” The use of the logo and SROA address for this purpose was/is unauthorized.

The use of the SROA logo and address makes it appear as if the message is from and/or directed by SROA – and that the endorsement included in the message is supported by SROA. The reference to a Special Election is merely erroneous.

In this vein, SROA is responsible for conducting a fair, impartial, and unbiased election – and not supporting one candidate over another for any reason. When the SROA information is used in this manner, it can be construed by owners who receive the email that SROA supports the message and is not meeting the requirement of conducting a fair, impartial, and unbiased election. I am not sure of the legal ramification of this to the validity of the election, but I will consult our legal counsel.



At a minimum, I ask that a correction be made – such as a follow-up email addressing these issues (stating that the use and/or implication that SROA sent, was involved in, or endorses the message was in error) – and remove any connection to SROA via logo or address.

I would appreciate a follow-up response letting me know how this will be addressed.  
Thank you,

James Lewis, General Manager.”

Director Ishmael noted the next thing that occurred was that the email was read by Sunriver Concerned Owners and a new email was sent to the same 101 people that did not include the logo or address on it.

Additionally, an email stating “Done” was sent to GM Lewis.

Director Ishmael went on to say that the next day GM Lewis sent an email to all owners on file explaining what had happened, but not even recognizing the misunderstanding had been corrected.

Director Ishmael stated the Concerned Sunriver Owner Facts:

“Sent to a private email list of 101 Sunriver and Three River voters; 40 of which are Sunriver owners (less than .0095% of homeowners). The primary purpose was to inform residents of our group’s preferred SROA Board candidate.

1. Support Tiernan without having to endorse two of the three incumbents.

The use of the SROA logo and address were used simply to identify that this email was about the upcoming election. There were several DRRW Board elections occurring at the same time.

This Notice obviously had no intent other than to inform a small group of concerned citizens. (these same 40 people).

Upon reflection, the most impactful point of the Notice is the option of voting for only one candidate because most, if not all addressees, had the opportunity to have met Bob and they may not know any of the other candidates (which was not enumerated on the ballot).

There was no effort by SROA to explain that the correction had been made or any effort to contact me when my email address was clearly on it. However, to his credit, Gerhard (President Beenen) contacted me on the 11<sup>th</sup> and I followed up with him the next day after I did an investigation to explain the situation. A subsequent face-to-face meeting was held where I provided much of the context to this letter. There was no breach of morals nor was Sunriver Concerned Owners trying to deceive anyone. In as much as the addressees were likely Bob Tiernan voters where were all known to the group (although not necessarily committed voters as per Jay Smith’s comment ), and only one person out of 101 misinterpreted the use of the logo and address. This whole thing has been blown completely out of proportion. There was no evil intent by the Sunriver Concerned Owners or me, there was no attempt to deceive, there was no reason to send out a blanket letter to all owners based on false assumptions and accusations. In fact, the only person to have suffered injury by this whole issue is me, and I would like an apology from SROA as members of the community took to extremes to try to cancel me and impugn my character and good name. I certainly am not resigning as nothing was intentionally or unintentionally done incorrectly.”  
Larry W Ishmael

President Beenen asked GM Lewis if he wanted to respond, and GM Lewis noted first, the correspondence he sent went out to the owners signed up to receive emails from SROA. Based on the intent of the original email that was sent out from Sunriver Concerned Owners and, as Director Ishmael explained it, GM Lewis believes there was no ill intent or intent to deceive, however, intent does not always belie the impacts that happen. In his job as general manager in representing SROA, GM Lewis considered that the corrective email that Director Ishmael said was sent out failed to include a description or statement saying that if you received a previous email that included the SROA logo and mailing address, that this was not from SROA, it's not from the Association. Additionally, emails frequently get shared and passed onto other people.

At the time SROA was made aware of the original email, we had ballots coming in, people were voting, coming into the lobby, and dropping off ballots on a daily basis so there's a point at which the Association needed to act to correct the misinformation that had been sent out. The reason why that is important is that SROA sends thousands of letters each year that include the SROA logo and mailing address. These letters are generally in regard to maintenance fees, a project they may be undertaking on their home, ladder fuels reduction notices, etc. so the recipient is typically taking the correspondence as direction from SROA.

When we are in the middle of an election with ballots coming in and we have an email that appeared as if it was from SROA and the corrective email that was received simply stated "done" and did not address the fact that Sunriver Concerned Owners did not intend to mislead anyone, an apology, etc. seems like an inadequate response.

GM Lewis read the following letter that was sent out to all owners signed up to receive emails from SROA:

"Greetings Sunriver Owners,

It has come to our attention that in the past few weeks many of you received a direct email regarding the SROA annual election of Board of Directors. That message, which was labeled as coming from "Sunriver Concerned Owners" ([sunriverconcernedowners@gmail.com](mailto:sunriverconcernedowners@gmail.com)) contained information that might incorrectly imply that: (1) it was sent or supported by your owner's association (SROA), or (2) SROA recommends voting for a particular Board candidate. The email used the SROA logo and included the SROA mailing address as the contact for Sunriver Concerned Owners. The email, however, was not authorized or approved by SROA. We understand that it was sent directly from an owner or owners who may have obtained email addresses from an outside marketing company. SROA has never and will never distribute or divulge owners' email addresses for any purpose. Just as important, SROA will never take a position with respect to the election of any Board candidate.

It is the duty of SROA to maintain the integrity of each and every election that is conducted so that each election is fair, impartial, and unbiased. That is why candidates are selected by an appointed Nominating Committee and the election/vote tally is overseen by an appointed Election Committee both acting independently from the SROA Board of Directors or staff involvement. In this vein, SROA (the association) does not have any opinion, endorsement, or support for one candidate over another. There are four candidates on the ballot, and you may vote for up to three candidates of your choice at your discretion."

That email was sent to clearly state and try to let owners know that this correspondence was not from SROA and GM Lewis would be remiss in his responsibilities if he had not responded on behalf of SROA. Had something not been sent out to set the record, the outcry from owners would have been greatly felt.

Director Gillies added that GM Lewis has noted many times that he works for the Board and some of the Board members, including Director Gillies wrote to the GM and instructed him to send an email alerting owners to the fact that the original email did not come from SROA.

Director Pederson commented that he does not believe there was any intent to deceive, but it took more time to crop the SROA logo than it would have to just put in the subject line “Sunriver Owners.” Director Ishmael responded that it is a template that they use. Director Pederson continued noting he was sorry that Sunriver Concerned Owners chose to use that template. Any group has a right to share their opinion on who they should vote for, but in choosing to utilize the SROA logo, the perception is that it came from SROA as an organization. To then use the Association’s PO Box, instead of the address of a member of your group is indeed troubling.

In short, Director Ishmael’s explanation does not satisfy Director Pederson. Also, despite requests to see a copy of the corrective email that was said to have gone out Director Pederson has still not been afforded that request. The response email of “Done” is not acceptable. It does not explain that the original email unfortunately gave the appearance of it coming from SROA. To simply resend the original email sans the logo and mailing address without any explanation as to why, is not addressing the issue. Director Pederson added that while Director Ishmael’s group may not have intended it that way, when an owner reads “The future of Sunriver depends on properly choosing future Board member(s) who will properly represent you, the owners”, it does seem to slam the three incumbents running for re-election. It suggests to most who read it that if the future depends on voting for Bob Tiernan, then the other choices are not appropriate if you care about the future of Sunriver. For Director Pederson, the explanation provided by Director Ishmael is not sufficient and does not appropriately address the matter.

Director Burke commented he does not agree with Director Ishmael’s statement that there was no ill intent involved or Director Ishmael’s explanation of what are facts. Director Burke was unavailable for the Special Board Meeting held on August 3<sup>rd</sup>, but he sent in comments noting how upset he was upon finding out that an SROA Board member was directly involved with this. Director Burke noted that in his opinion, when Director Ishmael said he accepted responsibility, he actually didn’t and Director Hayes makes some very good points about the extended discussions held that day and the opportunity Director Ishmael had to explain the situation, the intent, etc. and yet he chose to stay silent.

Director Ishmael has in no way identified who these Sunriver Concerned owners are or what they are concerned about which is bothersome to Director Burke. Additionally, he believes Director Ishmael has insulted his constituents by calling the whole situation a “nothing burger.” Director Burke also does not appreciate the 180° spin Director Ishmael did on throwing General Manager Lewis under the bus. Director Burke also explained the true meaning of gaslighting which is not an unintentional act but a very purposeful act and absolutely is not what the GM did. Further in Director Burke’s opinion, Director Ishmael completely insulted one of the homeowners by name calling that person the “worst” in a public meeting. Directors don’t and should not behave in that fashion. Also troubling is the lack of an apology and instead Director Ishmael’s assertion that he is the one that should be apologized to because he is the victim in this situation. Director Burke feels both the Nominating and Election Committees deserve an apology as well for the stress they have been put through as a result of these actions.

Director Burke continued that he does not believe that Director Ishmael understands the responsibilities of a director or respects those people that he represents. Director Burke would still urge the Board to do an independent investigation into this matter to determine what really happened. Maybe SROA would find out more, maybe not, but Director Burke would like to know who else was involved in this effort. A lot of people are calling for Director Ishmael to resign and Director Burke would not be disappointed if Director Ishmael did. That said, he feels the need for a full investigation is warranted in this situation.

Director Beard had no comment.

Director De Alicante commented that while he was out of town for the August 3<sup>rd</sup> meeting, he has since watched it and has read all the correspondence that has come in. Some has been very vitriolic, and some has

been very measured. However, there are limits on what the Board currently has the ability to do and some of the suggestions that owners have made are beyond the Board's authority to do.

Director De Alicante referenced Pat Hensley's submission to the Board noting it had some of the most measured recommendations of things the Board can do. Director De Alicante added that intentional or not nobody should use SROA's logo or address except those who are authorized to do so and Ms. Hensley's suggestion on having penalties for owners who use it who aren't authorized to do so is a good idea and something the Board should consider. It was wrong for Sunriver Concerned Owners to use the logo because it created a false impression whether intentional or not. Director De Alicante does not believe it matters that it's copyrighted or not, there is what's called "prior art" when you are going to claim this is something that is owned by you.

Director De Alicante has heard the calls for Director Ishmael's resignation and calls for an investigation. He does not believe there is a criminal act here. He understands that people have candidates they want to endorse and there is nothing wrong with that, but this email gave the impression that it came from SROA, and it didn't. He supports putting measures in place to ensure this doesn't happen again in the future.

Director Mobley spoke, and his sense is that with the initial awareness of concerns expressed by GM Lewis, that there was an inadequate recognition of the gravity of this. That the consequences matter and a political issue of this nature can balloon or explode. For Director Ishmael to not have immediately gotten in front of it, is troubling to him.

Director Hayes commented that regardless of the email or the intent, she believes if it had been an innocent email mistake, the first time this came up it would have been very easy for Director Ishmael to have acknowledged that he sent the email from the beginning and that he did not mean in any way to misrepresent SROA and the Board could have then dealt with it very quickly as a Board. The decision to stay silent is what makes Director Hayes think the intent was not right, by not coming forward, for the Board as a group who spend a lot of time volunteering for this SROA Board, it will be hard to trust Director Ishmael in the future after what she considers complete deceit towards his own peers.

Additionally, the comments made by Director Ishmael about Gwen Gamble in particular were totally inappropriate and blaming the general manager for in any way somehow exacerbating this issue was also totally inappropriate. Had someone not been able to click around and see that it was Director Ishmael that sent the email, she doesn't know if we would have ever known, or if Director Ishmael would have ever told us what had happened. By letting this issue get bigger, by not saying anything, the entire Board and election have been mired in the process that could have completely been avoided if Director Ishmael had been honest at the very beginning and admitted what he had done.

Director Gillies added he completely agrees with Director Hayes, that because nothing was said in the beginning it makes him think Director Ishmael knew that it was wrong otherwise it would have probably been brought up. Further, Director Gillies thinks that this whole thing reflects on the Board as a whole and he thinks the Board's reputation has been tarnished by this email being sent out. Director Gillies feels the community has also made their feelings known and the Board needs to pay attention to them as well as their own feelings. Director Gillies is not happy about it, he is very upset and in his opinion Director Ishmael should resign.

Director Gillies added that contrary to what Director De Alicante noted about the Board's inability to do anything, there are things that the Board can do to recall a board member and he is interested in what legal counsel had to say in that regard.

President Beenen reported there has been a lot of discussion with our legal counsel and the options available are to:

1. Do nothing.
2. Initiate an investigation.
3. Go through a recall process that can be initiated by the Board or alternatively there is a mechanism for owners to initiate a recall process. The process initiated by the Board would require the President to call a special meeting specifically for that purpose and to meet as a Board. At that special meeting, the Board would vote on whether or not to proceed with the recall. If the Board voted to have a recall, there would then be a recall meeting that would have to be published 14-50 days in advance. Owners would be invited to that meeting and the owners would hear a statement from Director Ishmael and owners would have the opportunity to comment amongst themselves and at the end of the meeting there would be a vote and if the majority of the people that participated in the meeting voted for the recall, then the director would be recalled.

The alternative is for owners to initiate a recall which would require owners to get signatures from 10% of the membership or approximately 420 signatures. This eliminates the Board from making the decision to hold a recall but everything else subsequent to that would be the same in that a meeting specifically for that purpose would be called and the owners of record that appear in person and would have the opportunity to vote on whether or not to recall.

Director Ishmael asked to make a couple of comments, the first specific to Director Hayes. The reason he remained quiet during the July 14<sup>th</sup> Board Work Session was due to the fact that he had already met with President Beenen, shared everything with him and was quite open with him from the beginning.

Secondly, he was shocked at the response that he got particularly from Director Burke, in the August 3<sup>rd</sup> Special Meeting as he had never envisioned this thing to be interpreted that way. Director Ishmael went on that he was sending an email to 40 of his friends that only apparently one of them misinterpreted so Director Ishmael wanted to make sure that President Beenen knew everything. Director Ishmael noted that he had reached out to Director Burke which Director Burke had no recall of receiving while also pointing out that the submission Director Burke sent to be read into the record was sent prior to the Board knowing that it was Director Ishmael who was involved. Director Burke added that for him it was already bad before he knew who was involved and it was even worse when he found out a board member was involved.

President Beenen noted that Director Ishmael is correct, he did notify him, and they talked but at the July 14<sup>th</sup> meeting, President Beenen did not believe it was his job to share that information since Director Ishmael was present at that meeting and had ample opportunity to do so himself.

Director Ishmael also commented that GM Lewis knew from day one that Director Ishmael was responsible for sending the email because he marked it out with a permanent marker. GM Lewis responded that it was not Director Ishmael's email address, it was the email address of the owner who first called and then followed up by forwarding the email they had received to SROA, so it was that person's email that was blacked out not Director Ishmael's.

Director Pederson also pointed out that just because only one person initially questioned it doesn't mean that other owners didn't find it objectionable or upsetting.

President Beenen commented there has been a lot of discussion and he believes everyone's had a chance to give their perspective. He would like to recommend to the Board, and this would be voted on tomorrow, is a.) we initiate an independent investigation and after all the facts are gathered decide if there should or should not be a recall election. An investigation is not inexpensive, it will cost \$10-15k which the President

is not happy about, but there may be valuable information that could be learned. The advantage to using an outside party is that they would keep it neutral from the perspective of all the parties involved and that is the value in that type of investigation.

Director Mobley added there are other values as well. His background includes ten years as Assistant to the President of Oregon State University where he experienced some controversies with athletics, and he was tasked with helping make the decision whether or not to hire a private investigator. They did hire someone which provided some additional time, a very clear airing of the facts, time for emotions to subside and a record that helped everyone understand what had happened, how it had happened, and what action should be taken to assure nothing like that would happen again.

Director Gillies asked why would we spend time and that kind of money on an investigation to look up what we already know. He would rather just make a motion to start the recall process. Director De Alicante agrees with Director Gillies on not spending money on an investigation that may not change anything.

Director Burke added he is still concerned about who else was involved with this as we still don't have forthcoming information about who else assisted in this unfortunate effort as he thinks it would be good for those people to be exposed if they are involved in something like this. If there are others involved who are serving on any committee, board, taskforce, etc. should that person still be afforded the opportunity to serve as a volunteer? Whether or not an investigation would get that far, we don't know but he feels we should try to find out.

The Board held discussion on the changes necessary to the SROA Bylaws and those changes will be pursued once the current issue at hand is resolved.

#### **SSD MANAGING BOARD POSITION #2**

President Beenen reminded the rest of the Board that at the July 15, 2023, regular Board meeting, a resolution was put forward to recommend Director Ishmael to be appointed to Position #2 on the Sunriver Service District Managing Board. There has been some concern expressed by the SSD Managing Board and by people at the County who have to approve the resolution in light of the recent election misinformation email that was sent to some owners. President Beenen noted he will be recommending that the Board, at their meeting tomorrow, rescind that recommendation and President Beenen will continue to serve in the position until this issue is resolved. President Beenen added this is not a recommendation that he wants to make but given the circumstances and the feedback he has received he believes that is the prudent thing to do. This item will be added to tomorrow's agenda for action.

#### **REVIEW 8/19/23 REGULAR MEETING AND ANNUAL MEETING AGENDAS**

The Board reviewed the agendas for tomorrow's business meeting and the Annual meeting.

#### **ADJOURN**

There being no other business, President Beenen asked for a motion to adjourn to executive session to discuss a legal matter.

Director Gillies moved to recess the public meeting and reconvene in Executive Session under the authority given in the SROA Bylaws, Article IV, Section 10 to discuss contractual, personnel, and legal matters that may be subject to a claim of privilege. Seconded by Director Mobley, the motion passed unanimously.

The public meeting recessed @ 12:10 P.M.

The public meeting resumed @ 12:34 P.M.

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

Director Mobley moved to adjourn the public meeting. Seconded by Director De Alicante, motion passed unanimously.

The public meeting adjourned at 12:35 P.M.

Respectfully submitted,

Scott Gillies, SROA Secretary