

Sunriver Owners Association

OWNERS FORUM ON AQUATICS



Hosted by:
SROA Ballot Task Force
& Ballot Communications Task Force

WELCOME

Welcome to the SROA Owners Forum regarding aquatics. This event will explain the present situation regarding Sunriver's antiquated pools, and share with you some of the current concepts being considered to address the situation. While we understand that our community has many challenges beyond this sole issue, the primary focus of today's session is to hear your suggestions and comments regarding our community's aquatic needs.

The concepts presented today will likely change as we get more and more input from SROA members such as you. The slide presentation you will see today will be posted on the SROA Web site, and be modified as needed throughout the process.

If you haven't added your e-mail address to the new SROA Web site's resident directory, I encourage you to do so. E-mail addresses provided by you on the site will be our primary vehicle to keep you up to date on the progress of this effort. Please let other homeowners know that we have scheduled additional forums and that we are interested in their opinions. If possible, share this package with them.

Thank you for attending this very important meeting. If you have any questions that haven't been addressed here today, or have additional comments regarding this forum, please feel free to email me at jsalzer@chamberscable.com.

John Salzer

Sunriver homeowner and volunteer chairperson,
Ballot Communications Task Force

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SROA POOL FACTS

South Pool

“Built in 1968, the 5,358 square foot South Pool is located on a 1.5-acre site in the heart of the resort area next to the Great Hall. The pool features approximately 12,000 square feet of landscaped sunning areas; a large waterslide; a 1,050-square-foot wading pool; and a 2,800-square-foot locker room. Open from Memorial Day weekend through the end of September, the pool draws approximately 100,000 people during this period with 50% of pool users being adults.”

Councilman-Hunsaker, 2008

- 1968: Sunriver developer constructs South Pool for a daily capacity of 631. Operated by the developer, then the resort until consolidation in mid-80s gave ownership to SROA.
- 1969: Provided service for: 28 homes and 169 condo units in first full season.
- 1981: Provided service for 944 homes and 540 condo units.
- 1981: A second (North) pool was under construction to alleviate congestion.
(As reported in association archives.)
- 1982: North pool opened, reducing the number of visits to the older South pool.
- 2008: Current peak season usage tracks at approximately 1,500 visitors per day or 49,523 visitors during the month of July.

As of January 2008, Sunriver consists of 3,049 homes and 954 condo units.

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SROA POOL FACTS

North Pool

“Built in 1982, the 3,528 square foot North Pool is located in the middle of the Sunriver Resort near the Woodlands Golf Course pro shop. The pool features approximately 9,000 square feet of landscaped sunning areas; a 700-square-foot wading pool; and a 1,500-square-foot locker room. Open from mid-June through Labor Day weekend, this pool draws approximately 30,000 people during this period with 60% of pool users being adults.”

Councilman-Hunsaker, 2008

- 1981: Constructed to alleviate overcrowding at the South pool. Daily capacity of 423.
- 1982: Opened in summer. First season averaged approximately 1,000 owner visits per month in peak months.
- 1994: SROA gets North Pool in land trade agreement with Sunriver Resort Limited Partnership.
- 2008: Current peak season usage tracks at approximately 425 visitors per day or 13,186 visitors during the month of July.

THE STATE OF SROA AQUATICS

As SROA pool use continued to grow and pool maintenance costs escalated, it became evident to staff and visitors alike that SROA pools were not meeting the needs of the community. Due to these concerns, in 2007 SROA commissioned an independent consultant to evaluate the condition of the two SROA owned pools and make recommendations. Kevin Post, an aquatic consultant from Counsilman-Hunsaker, a renowned aquatics firm, was brought in to offer an outside professional opinion. After thorough research, Post and his team concluded that SROA pools were extremely old, out of date and overcrowded.



North Pool - Existing Conditions



South Pool - Existing Conditions



The following are excerpts from the report by Kevin Post of Counsilman-Hunsaker.

As existing pools age, communities are often faced with a difficult decision. The old pool could be experiencing a leaking pool shell, outdated filtration, and lack of recreation amenities, causing high maintenance costs and fewer swimmers. The physically and functionally obsolete pool not only could be compromising the environment and swimmers (wasting water, improperly filtering water, etc.) but also the budget. *The decision the community must make is based around three options; do nothing, repair, or replace.*

Do Nothing

The do nothing option is the cheapest option at the onset, and sometimes the only option when funding is limited. With the do nothing option, none of the current challenges with the North or South pool would be addressed. New regulations and standards would not be met, and patron safety would continue to be a concern for the pool management.

Based on the age of the pool [South], it is likely that the pool will not be in operation due to structural integrity of the pool shell. With the passing of a new federal act that goes into effect on December 19, 2008, a retrofit must take place to open the pools in 2009. *In my professional opinion, the do nothing option is truly not an option for Sunriver at this juncture.*

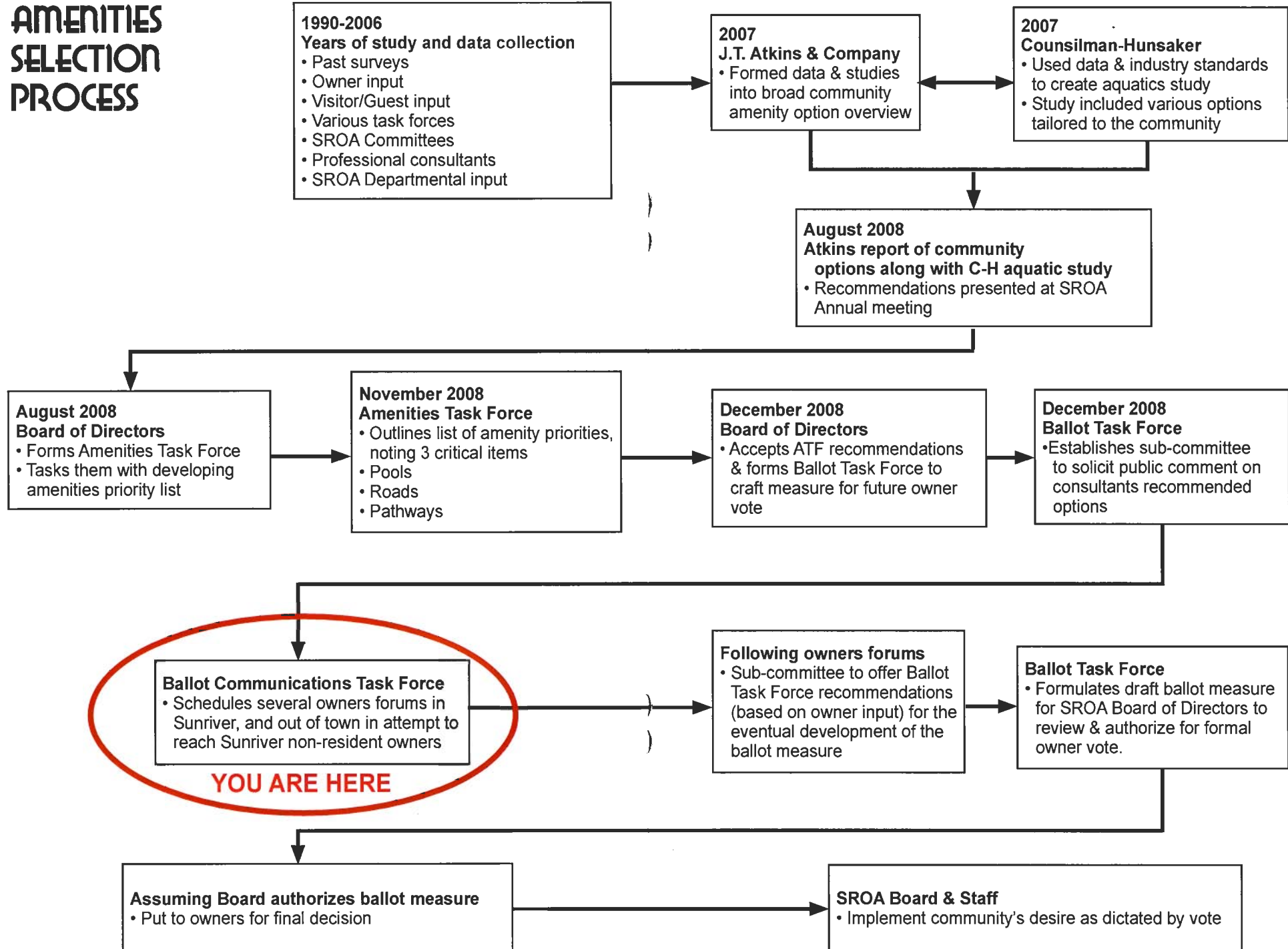
Repair Existing Pools

The next option would be to do a major renovation and repair the pools. This renovation would address all current health and safety issues and bring the pool up to industry standards. The essential advantages to this option are improved equipment systems, finishes, and some code and safety upgrades. This option would likely cost millions of dollars per pool, but would increase safety and decrease the cost to operate and maintain the pools. The expected life of an outdoor pool is 30 to 50 years. Given the harsh climatic changes in Central Oregon, this lifespan could be considerably less. *Given the age of both the North and South pools, a major renovation would add only 10 to 15 years to the life of the facility. This is not a recommended option, as it would not address any functional obsolescence of the current facilities or provide any enhancements of the facilities comparable to contemporary aquatic facilities.*

Complete Replacement

The final option is to replace the pools all together. During the feasibility study, several options were explored and developed to meet the community's needs. *Considering the specifics of Sunriver's current aquatics, it is an advisable direction that the community pursue the overall replacement of the existing pools. By replacing the pools, the community can address all the health and safety concerns, meet industry standards as well as provide contemporary aquatics facilities and programming for years to come.*

AMENITIES SELECTION PROCESS

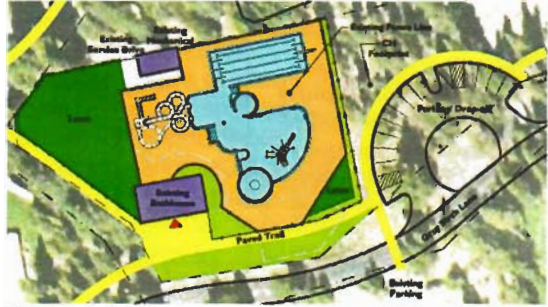


RECOMMENDED CONCEPT A

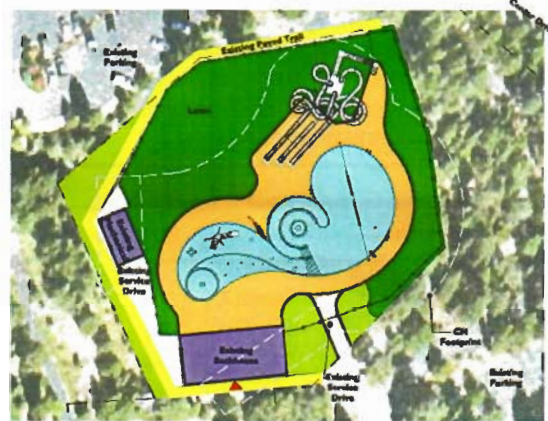
\$9M

Estimated
construction cost
for facilities

Estimated monthly
maintenance fee
increase: \$15 – \$18
based on 30-year bond



North Pool



**South Pool
Concept A**



December 27, 2009

Final landscape by:

GARDNER HENNING

ST. JOHN'S COMPANY
LANDSCAPE ARCHITECTS

PROS

- 2 sites offering near same amenities have the possibility to spread congestion.
- Ability to reuse existing bathhouses.
- Heritage value; the pools have always been located here.
- Maintains "neighborhood" pools
- Leaves Amphitheater site undeveloped or developed in other ways as recommended by ATF
- Well documented operational costs and revenues, few unknowns.

CONS

- Construction/operating costs of 2 sites are greater than 1.
- Tight fit at both locations resulting in loss of lounging areas. No room for additional growth, if needed.
- 2 single bodies of water, thus a fecal accident would require an entire facility closure.
- Meets only current use data, does not provide for growth.
- Closure of one or both pools would be required to complete rebuild causing diminished aquatics availability/revenue.
- Parking would continue to be an issue.
- New state regulation requires certified pool operator on site at all times. Multiple sites compound this issue.
- Does not solve asbestos issue at Amphitheater site.

RECOMMENDED CONCEPT B

\$9.5M

Estimated
construction cost
for facilities

Estimated monthly
maintenance fee
increase: \$13 – \$16
based on 30-year bond,
includes proceeds from
sale of South Pool



**Sunriver Amphitheater Site
Concept B**

0 10 20 40 feet
December 27, 2008

Pool concepts by
COUNSELMAN HENSHAW
L.P. KEENE COMPANY
ARCHITECTS AND ENGINEERS

PROS

- Centrally located.
- Asbestos clean up costs absorbed in cost of site development. DEQ requires site development or major clean up.
- Site has ability for multiple uses. Snow Mountain and recreation center could share in utility and staffing costs.
- * Potential for year-round aquatics
- Multiple bodies of water meet needs of all ages.
- Construction could take place while North and South pools remain open.
- Proceeds of South Pool sale partially offset development costs.
- Future development of amphitheater site could reduce stress on Fort Rock Park.
- Single aquatics facility could reduce manpower and operating costs.

CONS

- Unknown traffic impact. A study will have to be done.
- Eliminates last remaining large undeveloped area owned by SROA.
- Concentrates all aquatic use traffic and noise at one location.
- Introduces hardscape to previously natural landscape
- Loss of "neighborhood" pool locations
- Not an immediate solution, unknown construction timelines

RECOMMENDED CONCEPT C

\$13M

Estimated
construction cost
for facilities

Estimated monthly
maintenance fee
increase: \$17 – \$20
based on 30-year
bond, includes
proceeds from sale
of South Pool



**Sunriver Amphitheater Site
Concept C**



December 27, 2008

Pool concepts by
GUNDELMAN MANAGER

J.T. ATKINS COMPANY
ARCHITECTS

PROS

- Please see Concept B for baseline PROS/CONS
- Multi-use facility at single site, not specific to pool only visitors.
- Shared construction and operating costs.
- Possibility of new revenue sources. (Expanded programming opportunities for the community.)
- Reduced stress on Fort Rock Park.
- Provides gathering place with spacial flexibility for community groups, family reunions, weddings, etc.
- Building during a down economy maximizes investment dollars; more bang for the buck, competitive pricing.

CONS

- Additional staffing needed for expanded programming and services.
- Simultaneous use of facility might deter some patrons.
- Expanded hours of operation for multi-use site

CONCEPT D

Aquisition of
Mavericks facility
+ 1 outdoor
aquatic facility

\$21M

Purchase price \$12.5M
Outdoor pool \$8.2M
Remodel/addition+ \$?M

Estimated monthly
maintenance fee
increase: \$30 – \$35
based on 30-year bond,
includes proceeds from
sale of South Pool



PROS

- Existing facility meets some immediate needs of the resident and visiting community such as small community center, fitness areas, year-round pool.
- Year-round indoor pool allows expanded aquatics programming.
- New land acquisition offers future development options such as Concept B, outdoor facilities proposed by current owners (as shown above), or other amenities if proposed by the ATF.
- Flowrider™ is unique aquatic experience (Revenues vs. operation costs unknown.)
- Creates new revenue sources (fitness club memberships, private party rentals, etc.)
- Could be integrated with future park development on adjacent SROA property (if proposed by ATF).

CONS

- Modifications needed to adapt existing structure to fit diverse needs of community.
- Aquatics facility modifications required to meet state code for public (vs. private) facilities.
- Construction costs to build needed outdoor pool similar to Concept B.
- Not centrally located.
- Higher maintenance/operation costs for year-round/indoor aquatics facility.
- Increased cost for purchase of additional land (along with the facilities).
- Does not solve asbestos issue at Amphitheater site.

WHY DO THIS NOW?

*Given the present economic downturn,
is this the right time to be asking owners for more money?*

- No one is asking for money now or in 2009
- Any fee increases approved by the owners would not occur until 2010 or possibly 2011
- This is a decision that needs to be made by our owners
- We have no idea of the state of economic recovery by 2010 or 2011
- If either pool were to fail, it would have potential financial consequences to owners. It would impact the revenue received from rental managers for the use of SROA facilities. An amount that is presently \$700,000 per year.

*We need to use the current economic climate
to our advantage.*

- Construction costs and competitive bidding could be more favorable.
- Costs for construction will only escalate with the passage of time.
- Decisions now will position Sunriver for eventual economic upswing.
- Investment in our assets will prove beneficial for all property values.
- Acting now will help secure annual contribution from property managers. (Currently \$700,000 per year or 65% of the recreation budget.)

*“The only limit to our realization of tomorrow
will be our doubts of today.”*

Franklin Delano Roosevelt

SROA AQUATICS CONCEPTS SUMMARY

Do Nothing:

Estimated monthly dues increase = \$5 to \$8?
(30-year bond)

Concept A: 2 Aquatic Facilities:

Estimated monthly dues increase = \$15 to \$18?
(30-year bond)

Concept B: 1 Aquatic Facility (Amphitheater Site)

Estimated monthly dues increase = \$13 to \$16?
(30-year bond)

Concept C: 1 Aquatic Facility + Multi-Use Facility (Amphitheater Site)

Estimated monthly dues increase = \$17 to \$20?
(30-year bond)

Concept D: Mavericks Facility + 1 Aquatics Facility (added to Mavericks Site)

Estimated monthly dues increase = \$30 to \$35?
(30-year bond)

CLOSING

Thank you for your attendance and most importantly your participation in this very important forum. We hope that you found this discussion informative. As this process moves forward, we encourage you to continue staying informed through the various association channels while contributing any comments and suggestions that you believe may prove helpful.

The aquatic facilities are one of our community's key assets and as such need the proper attention they deserve. Together, through this process, we can craft a direction that will not only address the situation at hand, but also be the creation of community pride for generations to come.

“It’s your community, it’s your decision.”

***Thank you for taking the time to learn about
your community and helping decide the future of SROA!***

Please provide us with your comments and feedback by e-mailing:

recassist@srowners.org

or call us at 541.593.2442 or toll free 888.284.6639

*If you have not registered as a homeowner on our Web site,
please take the time to do so.*

www.sunriverowners.org

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