



Fall River Estates Special Road District
PO BOX 4181
Bend, Oregon 97707

FALL RIVER ESTATES SPECIAL ROAD DISTRICT ANNUAL MEETING MINUTES

MAY 25, 2019 11:00 AM

15052 FALL RIVER DRIVE

Call to order by SRD Chairman, Bill Swanson at 11:08 AM

A quorum of the board was present.

SRD Chairman, Bill Swanson began by introducing the two other Board Members, Aileen Winge and Richard Bestwick. He then explained that, for reasons obvious to all the membership, it was necessary this year to hold the FRSRD Annual Meeting at a separate location and time than the FRE HOA annual meeting. Next year if the neighborhood climate has improved, it is hoped we can return to a joint meeting with the HOA

Mr. Swanson gave a financial report and mentioned that copies of the report and the SRD budget were available on the table. There was a carryover from 2018 of \$48,746 and the predicted balance for 2019 is \$69,575. At this stage, because of the threats made by the HOA chairman, Tom McManus, to contest the results of our current election, and possible further challenges to the autonomy of the SRD, there may be legal fees incurred by the SRD and so these costs were added to the 2019-2020 budget.

There was a board-only vote for two items:

1. Does each board member agree to the need to retain an attorney?
 - a. All three board members responded in the affirmative.
2. Does each board member agree to the attorney's letter of engagement?
 - a. After review, all three board members responded in the affirmative. Once the attorney (& firm) is engaged, the name of the attorney and firm will be made known.

Aileen Winge stated she agreed to the need for legal counsel , but said it went contrary to everything the SRD stood for...saving money for our roads. Wasting tax funds on attorney fees is what the SRD Board has tried to avoid since the current attacks on the SRD started. She mentioned that the SRD had hoped that, with the Deschutes County Commissioners' decision, the HOA would cease its campaign. Unfortunately, the HOA has not accepted the decision and has since threatening to take the SRD to court.



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Mr. Bestwick and Mr. Swanson explained that the Deschutes County Commissioners recognized the right of the SRD to choose its own candidates for confirmation and that the SRD was a separate entity from the HOA. Since the mid-1990's the SRD sought volunteers from the entire Special Road District community. The suggestion of an election of officers, this one time only, was an effort on the BOCC's part to help the neighborhood heal. They actually didn't have a mandate to order an election. The SRD was told by the BOCC to choose the type of election they wanted to conduct. The SRD's decision to give one vote to each property-tax-payer (according to the Deschutes County Assessor's records), and not to use the HOA method of one vote per lot, was deemed the fairest way to go. As time was of the essence, the SRD board got to work quickly to set up and mail out the ballots. This time-crunch did not allow the Board to post the usual two-day-in-advance meeting notice when they selected this method. This caused quite a negative reaction from the HOA chairman. The BOCC asked for the results of the election, along with the candidates' names, to be put forward by June 7th. The SRD is meeting that requirement.

Kate Stough queried the need for fog seal on our roads. Bill Swanson answered that in 2017, through research and discussion with experts, it became apparent that this on extra sealing method of sealing from the top of the road , as well as underneath, could prolong the life of our roads by possibly two to three years. Longevity will depend on the future winter weather conditions and road use.

Neal Ehlen mentioned that the homeowners should realize that it is their responsibility to keep the right-of-ways in front of their properties free of debris and to remove small trees before they become an obstacle to snow placement in winter.

Speaking on the subject of the SRD board membership, Aileen Winge mentioned that there is little work required on a daily basis by the board. The goal is to keep our roads well maintained, chip-sealed when necessary, and to facilitate the removal of snow in the winter. In the past, the HOA contributed up to \$10, 500 annually to the SRD for snow removal. That amount was reduced in 2015 to \$5000. But, there has been no contribution from the HOA for the past two years.

Ms. Winge also explained that the tax funds are not large, about \$20K per year. Frugality is a necessity. Funds must be consistently put aside to cover the future need for complete chip sealing. Up to now, the SRD Board has been successful in their aim to not require extra assessment of funds from the property owners. With the growth of our community and the building of new homes, there



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has been damage from heavy trucks to the sides of the roads. The SRD has been able to repair those problems without further expense to the homeowner involved.

Beth McKeever asked why the HOA had not contributed recently to the SRD for snow removal. Mr. Swanson replied that there has been a lot of hostility from the HOA and that the HOA may have answers to that question.

John Burns asked why there was not an election held each year for the SRD board members. The answer to that was that, for continuity, only one position becomes available each year and that the time and money required to hold an election makes having a big election every year unfeasible. But, volunteers have always been sought. Nominations to the SRD Board are made in December and not in June when the annual meeting is held.

It was announced that the counting of the ballots would take place on Sunday, June 26th, at 15052 Fall River Drive, at noon. Earlier in the week, Tom McManus requested that Sue Napier and Kay Kurzon be observers of the ballot counting. Both Sue and Kay were asked by the SRD Board to **do the counting** and not just be observers. They both agreed.

It was announced that the results of the ballot count would be posted on the community bulletin board early evening Sunday, June 26, 2019.

Beth McKeever thanked the current SRD Board and hoped for a peaceful solution to the current situation.

Meeting was adjourned at 11:35 AM

These minutes will be submitted for approval at the next SRD meeting.

Respectfully Submitted by
Aileen Winge
SRD Board Member