

**MINUTES FOR THE MEETING OF THE BOARD OF DIRECTORS
OF THE
EAGLE CREST MASTER ASSOCIATION**

CALL TO ORDER Pursuant to call by the President of the Association, the fourth quarter meeting of the Board of Directors was held on November 17, 2022, at 9:00 a.m. at 7555 Falcon Crest Drive in Redmond, Oregon.

ATTENDANCE Directors present included Mike Bessonette (Residential Director), Chris Earnest (Commercial Director), Mark Hunt (VROA Director), and Brett Moshofsky (Residential Director). Management company staff members present included Mark Owings, Marrissa Rainey, Curt Heimuller and Debbie Hahn. Brett Limbeck representing Oregon Water Utilities-Cline Butte, and Karen Smith, consultant with Resort Resources, Inc., also attended. Mark Hunt, Vice President, presided at the meeting, and Debbie Hahn recorded the minutes on behalf of the Secretary.

CONSENT TO AGENDA The meeting was called to order at 9:05 a.m. Karen requested an addition under Other New Business regarding recently passed Oregon legislation requiring a review of governing documents. Mike Bessonette moved to accept the agenda as amended. Brett Moshofsky seconded the motion and the motion passed unanimously.

PRIOR MINUTES Reading of the prior meeting minutes dated September 22, 2022 was waived and Mike moved to approve the minutes as presented. Brett seconded the motion and it passed unanimously.

**MANAGEMENT AND
COMMITTEE
REPORTS**

FINANCIAL REPORT Mark Owings provided the financial report, which included the financial summary (“Attachment 1”) and internally prepared third-quarter 2022 financial statements (“Attachment 2”).

Following discussion and upon motion duly made (CE) and seconded (BM), the following resolution was unanimously approved:

RESOLVED, that the financial report submitted by Mark Owings including “Attachment 1” and “Attachment 2” be hereby approved subject to audit.

Resolution 2022.11.17-01

UTILITY SYSTEMS REPORT Brett Limbeck, reporting for Oregon Water Utilities (“OWU”)—the contracted utility system service provider—reviewed the written Utilities Report and related test results (“Attachment 3”), and provided a technical memorandum from Cascade Geoengineering (“Attachment 4”) related to the review and evaluation of wells 2a and 2b. Brett confirmed the OWU team would like to review the report and pose additional questions to Cascade Geoengineering, noting updated information would be expected following their review. The Board acknowledged and agreed the OWU input and review would be helpful. The Board noted after the OWU review and following receipt of any additional information or revisions, the Utility Systems Planning Committee should then be provided the information for review and input. Brett reported a heater failed in the well 2 building and requires replacement. Marrissa stated the cost for the heater is approximately

\$1,600, noting expenses for related electrical work will also be incurred as part of the replacement.

Following discussion and upon motion duly made (MB) and seconded (BM), the following resolution was unanimously approved:

RESOLVED, that the replacement of a heater in the well 2 building along with related electric work be hereby approved, with expenses to be paid from the Association’s Utilities reserve fund.

Resolution 2022.11.17-02

**OPERATIONS
REPORT**

Marrissa Rainey presented the written Operations Report (“Attachment 5”). Management was directed to prepare a “good neighbor” communication to neighboring properties to the south letting them know what ECMA and EHOA are doing to reduce fire risk and to share some informative points received from the wildfire experts engaged by the Association.

Directors discussed the chemical automation agreement for the Resort Sports Center, noting an official agreement needs to be prepared and approved. Management will work with Karen Smith on the document and provide to the board to review at an upcoming special meeting.

Marrissa reviewed the soccer field usage recommendations (“Attachment 6”), noting the document is intended to guide discussion to develop a policy for future usage of the area. Directors were supportive of the framework provided and agreed that an agreement should be prepared that would cover the details, including liability, damage to the property, etc. Marrissa noted she will work with Karen Smith to develop an agreement to present at a future meeting.

Marrissa provided the Worldmark owner usage proposal for the Redtail Hawk Pool (“Attachment 7”).

Following discussion and upon motion duly made (MB) and seconded (CE), the following resolution was unanimously approved:

RESOLVED, to approve Worldmark’s request for use of the Redtail Hawk pool facility with a ten (10) card limit at a cost of \$125 per card.

Resolution 2022.11.17-03

Marrissa noted there are no insurance claims at this time.

**RESERVE EXPENSE
REPORT**

Karen Smith, reporting for Resort Resources, Inc., reviewed the Budget vs. Expenditures per 2023 Reserve Study (“Attachment 8”), including the highlighted variances presented for approval.

Following discussion and upon motion duly made (CE) and seconded (BM), the following resolution was unanimously approved:

RESOLVED, that the Budget vs. Expenditures per 2023 Reserve Study (“Attachment 8”) be approved, including the variances as noted in highlighting on the report.

Resolution 2022.11.17-04

**GOLF OVERSIGHT
COMMITTEE**

Mike Bessonette, committee chair, reviewed the “Golf Oversight Committee Meeting Notes” (“Attachment 9”). No action was requested of or taken by the Board.

**ENVIRONMENTAL
CONTROL
COMMITTEE**

Marrissa Rainey reported on behalf of the committee, summarizing the written Environmental Control Committee Update (“Attachment 10”). Management was directed to collaborate with the Golf Oversight Committee regarding the referenced survey work, and to acquire a bid to survey golf easement locations on holes 11, 13 and 14.

**COVENANT
COMPLIANCE
COMMITTEE**

Marrissa confirmed there has been no activity.

**UTILITY SYSTEM
PLANNING
COMMITTEE**

Karen Smith reviewed the committee’s quarterly report (“Attachment 11”). No action was requested of or taken by the Board.

**SCHEDULED 4TH
QUARTER BUSINESS**

**ELECTION OF
OFFICERS**

Following nominations by directors, and upon motion duly made (MB) and seconded (BM), the following resolution was unanimously approved:

RESOLVED, that the following persons are elected to the corporate offices set forth opposite their respective names, to serve until the next meeting of directors following the members’ annual meeting in 2023, and until their respective successors shall be elected and qualified:

**Bill Neumann – President
Mark Hunt – Vice President
Mike Bessonette – Secretary
Chris Earnest – Treasurer**

Resolution 2022.11.17-05

**TRAVEL/LODGING
EXPENSE POLICY**

Directors reviewed and affirmed the current expense policy for the 2022/2023 board year. The current policy is copied here for reference purposes:

“Transportation costs are allowed based on the most prudent mode of travel as determined by each director. If driving, a mileage rate will be paid at the then current IRS mileage rate. Air travel will be reimbursed at cost. Lodging, as needed to accommodate for the meeting schedules (1-2 nights), will be provided by the Association at the resort property. Directors may be reimbursed for meal expense up to \$50 per day, only if lodged in the hotel, upon delivery of receipts for meal expenses. In addition, communication costs will be reimbursed to directors at cost upon receipt of a bill.”

Following discussion, and upon motion duly made (MB) and seconded (BM), the following resolution was unanimously approved:

RESOLVED, that the 2022/2023 Travel/Lodging Expense Policy be hereby approved.

Resolution 2022.11.17-06

**ECMA COLLECTION
POLICY
DELEGATION**

Marrissa Rainey reviewed the memo “Annual Sub-association Billing Delegation; Update for ECMA-JUEA fees collection” (“Attachment 12”), proposed ECMA Collection Policies for 2023 (“Attachment 13”), and the policy for Sports Center Fee Collection (“Attachment 14”). Karen Smith noted the billing delegation is an annual delegation and the only change to the previous concepts presented is to include references to JUEA fee collection. The proposed fee increased from \$12 to \$13.

Following discussion, and upon motion duly made (MH) and seconded (MB), the following resolution was unanimously approved:

RESOLVED, that ECMA adopts the Collection Policies for 2023 (“Attachment 13”) and delegates the responsibility for collecting ECMA Dues, Utility Fees, and JUEA Fees in 2023 to those Sub-Associations listed in the adopted policy; and

BE IT FURTHER RESOLVED, that ECMA approves a 2023 Billing Fee equal to \$13 to be added to each invoice generated by its management company for ECMA Dues, Utility Fees, and JUEA Fees to include invoices to Sub-Associations collecting these dues and fees on behalf of ECMA as well as invoices to individual owners; and

BE IT FURTHER RESOLVED, that ECMA authorizes payment to its management company on a quarterly schedule equal to the total invoiced Billing Fees.

Resolution 2022.11.17-07

Following discussion, and upon motion duly made (CE) and seconded (BM), the following resolution was unanimously approved:

RESOLVED, that the Policy for Sports Center Fee Collection (“Attachment 14”) as revised and presented be hereby approved.

Resolution 2022.11.17-08

**CONTRACT
RENEWALS**

Marrissa Rainey presented the Landscape Maintenance Agreement Renewal memo (“Attachment 15”) and the Second Amendment to Supplemental Agreement to Amended and Restated Management Agreement (“Attachment 16”) which details the landscaping services contract between ECMA and Eagle Crest Management.

Following discussion, and upon motion duly made (MB) and seconded (BM), the following resolution was unanimously approved:

RESOLVED, that the Board approves the Second Amendment to Supplemental Agreement to Amended and Restated Management Agreement (“Attachment 16”) with the Eagle Crest Management Landscaping division for a period of three years, and authorizes the

Board President to sign said agreement on behalf of the ECMA Board.

Resolution 2022.11.17-09

Marrissa then presented a summary of the Pools & Spas Maintenance Agreement Renewal memo (“Attachment 17”) and proposed agreement (“Attachment 18”). Karen clarified while she provided initial input, she had not reviewed the final proposed agreement that was included in the board packet. Following discussion, it was determined clarification will be needed for the proposed agreement as to how it relates to the chemical automation agreement, which includes some chemicals as part of that agreement. The Board agreed to address the pools and spas agreement renewal along with the chemical automation agreement discussed earlier in the meeting at an upcoming special board meeting prior to the end of the year.

Marrissa reviewed Tennis Instruction Services Agreement Renewal memo (“Attachment 19”) and proposed Second Amendment to Tennis Instruction Services Agreement (“Attachment 20”).

Following discussion, and upon motion duly made (BM) and seconded (CE), the following resolution was unanimously approved:

RESOLVED, that the Second Amendment to Tennis Instruction Services Agreement (“Attachment 20”) be accepted as presented, and that the Board President be authorized to sign said agreement on behalf of the ECMA Board.

Resolution 2022.11.17-10

2023 ASSOCIATION BUDGET

Mark Owings reviewed the proposed 2023 association budgets dated 11/13/22 (“Attachment 21”) specifically noting any adjustments made since the budget study session held in mid-October during which the budgets were studied and discussed by Directors and management. Additional changes made during the meeting included:

- Facilities: The 2022 forecast for Red Tail Hawk Swimming Pool was increased by \$2,771, which then adjusted the 2022 forecasted ending fund balance, and 2023 budgeted beginning fund balance, to \$46,298.
- Sports Center: The owner fee was decreased to \$25, which changed the 2023 budgeted ending fund balance to \$79,626.

The budgets as revised during the meeting will be distributed to the directors and are attached as follows: the Facilities budget (“Attachment 22”), Utilities budget (“Attachment 23”), and Sports Center operations budget (“Attachment 24”).

Following discussion and upon motion duly made (MB) and seconded (BM), the following resolution was unanimously approved:

RESOLVED, that the 2023 Eagle Crest Master Association budgets for Facilities (“Attachment 22”), Utility operations (“Attachment 23”), and Sports Center operation (“Attachment 24”) be approved as amended; and

BE IT FURTHER RESOLVED, that the 2023 Association dues shall be assessed at \$87.00 per month, per assessment unit; and

BE IT FURTHER RESOLVED, that the 2023 Association water and sewer rates shall be assessed at \$74.00 per month, per connection; and

BE IT FURTHER RESOLVED, that the Sports Center annual Unit Fee be increased to \$421.45 per Unit and the annual Owner Fee decreased to \$25 per Owner, as those terms are defined in the Sports Center Lease; and

BE IT FURTHER RESOLVED, that the Sports Center annual Unit Fee for Ridge at Eagle Crest Owners be increased to \$161.63 per Unit and the annual Owner Fee remain at \$11.30 per Owner, as those terms are defined in the Joint Use Easement Agreement.

Resolution 2022.11.17-11

Karen Smith referred to the draft 2023 Association Reserve Studies for Facilities (“Attachment 25), Utilities (“Attachment 26”), and the Water System Infrastructure Repair Estimation Plan or “WIREP” (“Attachment 27”) which were recently delivered to directors digitally. Karen confirmed the suggested reserve fund contributions were included in the 2023 budgets. Karen noted management is requesting approval for 2023 expenses for the Facilities reserve study, noting specific expenses for Utilities will be presented for approval during the first quarter meeting, continuing the process by which pre-approval is obtained for planned reserve expenditures.

Following discussion and upon motion duly made (BM) and seconded (MB), the following resolution was unanimously approved:

RESOLVED, that the 2023 updates to the Association’s Facilities Reserve Study (“Attachment 25”), Utility Reserve Study (“Attachment 26”), and WIREP Reserve Study (“Attachment 27”) be approved as submitted with the financial assumptions and contributions as recommended, and that the 2023 list of expenditures included in the Facilities Reserve Study (“Attachment 25”) be hereby approved.

Resolution 2022.11.17-12

**SIGNATURE
AUTHORIZATIONS**

Following discussion, and upon motion duly made (MH) and seconded (MB), the following resolution was unanimously approved:

RESOLVED, that Chris Earnest and Curt Heimuller be appointed as authorized signers for the Eagle Crest Master Association, effective for calendar year 2023.

Resolution 2022.11.17-13

**RESERVE FUND
INVESTMENTS**

The ECMA Board Operating Procedures state “Determination of reserve fund placement will be based on analysis of the reserve fund balances and the Board-adopted Association reserve studies, updated annually, that project near and longer term estimated contributions and expenses. At least annually the Board of

Directors will adopt a resolution identifying authorized officer(s) and/or agent(s) to conduct this analysis and make the resulting fund placements.”

Following discussion, and upon motion duly made (MB) and seconded (BM), the following resolution was unanimously approved:

RESOLVED, that the Board adopts the reserve fund investment policy and authorizes Chris Earnest, Curt Heimuller and Mark Owings to conduct analysis and placement of Eagle Crest Master Association reserve funds, effective for calendar year 2023.

Resolution 2022.11.17-14

**UNFINISHED
BUSINESS**

**GOLF COURSE 5-
YEAR CAPITAL PLAN**

Mike Bessonette, committee chair, presented the 5-year capital plan for the golf course (“Attachment 28”).

Following discussion and upon motion duly made (MB) and seconded (CE), the following resolution was unanimously approved.

RESOLVED, that the updated “Resort Golf Course 5-Year Capital Plan” (“Attachment 28”) be hereby approved as presented.

Resolution 2022.11.17-15

NEW BUSINESS

**RESORT RESOURCES,
INC. 2023 TASK
ORDERS**

Directors reviewed the proposed Resort Resources, Inc. 2023 Task Orders for Services (“Attachment 29”). Karen noted there is a new task order for 2023 relating to the Utility Committee, and noted the 2023 fee schedule provided.

Following discussion and upon motion duly made (MH) and seconded (BM), the following resolution was unanimously approved:

RESOLVED, that the Resort Resources, Inc. 2023 task orders (“Attachment 29”) be hereby approved as submitted understanding the 2023 fee schedule, and that the Board President be authorized to sign the task orders on behalf of the ECMA Board.

Resolution 2022.11.17-16

**EQUESTRIAN
BUILDING LEASE**

Marrissa provided a proposal and term sheet from Eagle Crest Management proposing a lease of equestrian building owned by ECMA (“Attachment 30”). Curt Heimuller provided additional information and comments.

Following discussion and upon motion duly made (MB) and seconded (BM), the following resolution was unanimously approved:

RESOLVED, to approve leasing the equestrian building to Eagle Crest Management with final terms to be determined and approved via consent resolution or special board meeting by December 31, 2022.

Resolution 2022.11.17-17

**OTHER NEW
BUSINESS**

Karen Smith noted the Oregon legislature passed House Bill 2534 during the 2021 legislative session, which requires planned communities to review their governing documents for any discriminatory language. The bill requires to amend each document to remove all discriminatory language or to execute and record a declaration stating the association has reviewed the governing documents and they do not contain any discriminatory language by December 31, 2022. Karen provided a handout with brief information on the bill (“Attachment 31”). Karen stated she is comfortable completing the document review, noting she has worked with an attorney on a couple of other HOA reviews and understands the bill intent and items for which to look.

Following discussion and upon motion duly made (MH) and seconded (MB), the following resolution was unanimously approved:

RESOLVED, to designate Karen Smith of Resort Resources, Inc. to review the documents referenced in House Bill 2534 and make recommendations for any modifications, with any necessary action to be approved via consent resolution or at a special board meeting by December 31, 2022.

Resolution 2022.11.17-18

Marrissa provided a list of proposed meeting dates for board consideration (“Attachment 32”).

Following discussion and upon motion duly made (MB) and seconded (BM), the following resolution was unanimously approved:

RESOLVED, that the dates for the 2023 regular meetings will be as follows:

1st Quarter – Thursday, March 9, 2023

2nd Quarter – Thursday, June 8, 2023

3rd Quarter – Thursday, September 21, 2023

2023 Annual Meeting – Saturday, September 23, 2023

Annual Budget Study Session – Thursday, October 26, 2023

4th Quarter – Wednesday, November 15, 2023

Resolution 2022.11.17-19

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:26 p.m.

Secretary to the Association