

**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 second quarter meeting of the Board of Directors was held on June 1, 2018 at the Eagle Crest Administrative Office in Redmond, Oregon. The meeting was called to order at 9:13 a.m. following an owner comment period.
- ATTENDANCE** Directors present included Mike Bessonette (Residential Director), Hank Cavender (Residential Director), Chris Earnest (Commercial Director), Mark Hunt (VROA Director), and Bill Neumann (VROA Director). Management company staff members present included Arron Curtis, Curt Heimuller, Debbie Hahn, and Kelsey Rook. Brett Limbeck and Bob McDaniel attended representing Cline Butte Utility. Karen Smith, consultant with Resort Resources, Inc., also attended. Several members of the Association and guests were in attendance. Bill Neumann, President, presided at the meeting, and Kelsey Rook recorded the minutes on behalf of the Secretary.
- CONSENT TO AGENDA** Mark moved to accept the agenda as presented and Mike seconded the motion. The motion passed unanimously.
- PRIOR MINUTES** Reading of the prior meeting minutes dated March 30, 2018 was waived and Mike moved to approve the minutes. Chris seconded the motion and it passed unanimously. Bill opened the discussion of business items.
- OLD BUSINESS** None pending.
- MANAGEMENT AND COMMITTEE REPORTS**
- FINANCIAL REPORT** Debbie Hahn provided the financial report on behalf of Robin Dowty, which included items highlighted in the financial summary (“Attachment 1”) and further detailed in the internally prepared first quarter 2018 financial statements (“Attachment 2”). Debbie reviewed the material variances as outlined in the financial summary. It was noted that the preliminary draft audited 2017 financial statements prepared by association CPAs at Hudspeth and Company included several adjustments. Management requested that directors provide their comments to Robin no later than June 15. The Board directed Robin Dowty to provide a memo to directors explaining the adjustments made to 2017 financial statements no later than June 8. The board directed Karen Smith to review the statement notes on the golf reserve study and offer some suggestions to Hudspeth and Co. that would further clarify the reserve fund status.
- Following discussion and upon motion made (MH) and seconded (HC), the following resolution was unanimously approved:
- RESOLVED, that the financial report submitted by Robin Dowty including “Attachment 1” and “Attachment 2” be hereby approved subject to audit.**
- Resolution 2018-06.01-01*
- UTILITY SYSTEMS REPORT** Brett Limbeck, reporting for the contracted utility system service provider Oregon Water Utilities, reviewed the written utilities report (“Attachment 3”) and the 2017 Water Quality Report (“Attachment 4”). Karen Smith, reporting for Resort

Resources, Inc., next provided a memo updating the status of groundwater rights transfers (“Attachment 5”). No action was requested of or taken by the board on these matters.

Karen gave a verbal report summarizing counsel provided by association attorney Michelle De Rosa regarding the enforcement of the ECMA Cross Connection Control Policy. Michelle advised that the Oregon Administrative Rules as they relate to utility operations may trump the Oregon Planned Community Act with regard to enforcement of this policy. Karen advised the VROA and RVVE directors will be advised of the need to install backflow prevention devices. Mike Bessonette offered to bring this information to the EHOA Board at their next association meeting. Karen suggested the next steps would be to address policy changes recommended by the attorney and develop a timeline for enforcement of the cross connection control policy. The Board directed Karen to proceed with next steps and to request Board action when ready.

Curt summarized the Water and Wastewater Resiliency Report (“Attachment 6”), which provided an overview of the next steps identified by study group recently established by the board to review back-up power generation options.

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

**RESOLVED, that the study group analyze a backup power supply for the water system only, and for the primary purpose of power failure due to wildfire event and to aid in suppression efforts, and;**

**BE IT FURTHER RESOLVED, that the study group shall evaluate power supply system alternatives in regards to size, fuel source, and location in the preparation of their recommendations.**

*Resolution 2018-06.01-02*

**OPERATIONS  
REPORT**

Debbie Hahn presented the written operations report (“Attachment 7”) and noted there are no insurance claims to report. Directors gave their unanimous consent for the standup paddleboard vendor to leave an equipment trailer at the Resort Sports Center parking lot overnight and proceed with construction of their proposed outdoor kiosk for use in summer 2019 (“Attachment 8”).

Since the writing of the report, the easement agreement for lot 27 has been completed and is ready for signatures and recording. Lot 65 has sold to a new owner, with whom Mike offered to meet and provide an overview of the lot’s history, reviewing with them the procedure for documentation of the encroachment.

**RESERVE EXPENSE  
REPORT – 2018  
EXPENDITURES**

Karen Smith, reporting for Resort Resources, Inc., reviewed the Evaluation of Reserve Account Expenditures vs. Budget per 2018 Reserve Study (“Attachment 9”), reporting that one new variance requiring director approval is related to the replacement of drain field valves.

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

**RESOLVED, that the Evaluation of Reserve Account Expenditures vs. Budget per 2018 Reserve Study (“Attachment 9”), including the variance as noted in highlighting on the report.**

*Resolution 2018-06.01-03*

**GOLF OVERSIGHT  
COMMITTEE**

Mike reviewed the 2018 Resort Golf Course capital projects. There were no actions taken of or requested by the Board.

**ENVIRONMENTAL  
CONTROL  
COMMITTEE**

Jim reported one application was reviewed and approved by the committee for new exterior paint color at the Resort Golf Course pro shop and cart barn. The committee also reviewed a pending application for possible removal of a damaged tree on ECMA property near the Lodge.

**COVENANT  
COMPLIANCE  
COMMITTEE**

Hank reported no new activity from the committee.

**CONTRACTS  
MANAGEMENT  
COMMITTEE**

Bill reported that of the three vendors who attended the site visit, only one, Eagle Crest Pools and Spas (ECPS), submitted a bid for consideration by the Board. The committee recommended awarding the contract to ECPS and selecting the “Option 1” service and pricing schedule, which assumes operations at the Red Tail Hawk pool will take place during the period spanning Memorial Day to Labor Day.

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

**RESOLVED, that the Board accepts the recommendation of the Contracts Management Committee and awards the pool and spa maintenance contract to Eagle Crest Pools and Spas for a period of one year, and in accordance with the “Option 1” service and pricing as detailed in the vendor’s proposal.**

*Resolution 2018-06.01-04*

Bill conveyed to directors an additional recommendation of the committee, that the Board purchase automatic feeder equipment for the Red Tail Hawk Pool. Arron Curtis, Pools and Spas Manager, reported that the addition of such controllers at the pool would meet the County requirement that pools be tested every two hours. The Board directed Arron to solicit equipment pricing and bids for board consideration at a special meeting prior to the third quarter meeting in September.

**SCHEDULED 2<sup>nd</sup>  
QUARTER BUSINESS**

**ANNUAL MEETING  
PLANNING**

Debbie Hahn reviewed the nomination process per the ECMA Bylaws, noting that the two-year terms of Vacation Resort Project Directors Mark Hunt and Bill Neumann expire this fall. Debbie Hahn confirmed the annual meeting date of September 15, 2018. There were no actions requested of or taken by the Board.

**UNFINISHED  
BUSINESS**

**RED TAIL HAWK/  
CONDOR DRIVE  
COMMON AREA  
MANAGEMENT**

Debbie Hahn summarized a written report (“Attachment 10”) outlining several development options for the common areas at Red Tail Hawk Drive and Condor Drive. Directors encouraged Hank, with assistance from management, to develop a usage proposal to be presented to the board in advance of their budget session in October.

**2018 UTILITY  
RESERVE STUDY  
REVISIONS**

Karen Smith reporting for Resort Resources, Inc., presented the full revised 2018 Utility Reserve Study (“Attachment 11”), a summary of which was provided previously to directors at their first quarter board meeting in March and which reflects the Well 2 approved replacements and expenditures.

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

**RESOLVED, that the revised 2018 Utility Reserve Study (“Attachment 11”) be approved as submitted.**

*Resolution 2018-06.01-05*

**NEW BUSINESS**

**EHOA BILLING  
REQUEST**

Debbie Hahn reviewed her memo (“Attachment 12”) summarizing a sub association dues billing request made by the Estate Homesite Owners Association (EHOA). The proposal included three billing options for consideration by directors. Directors agreed that option number three was the most appropriate solution and directed management and Mike to convey this to the EHOA Board and its community manager.

**RESORT SPORTS  
CENTER FOOD  
SERVICE LEASE**

Debbie Hahn presented a proposal for food service at the Resort Sports Center (“Attachment 13”).

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

**RESOLVED, that management be authorized to present a sublease of the Resort Sports Center food and beverage space to operator Gretchen Thomabased on the same terms and conditions as the previous sublease, with the exception that term be for summer season only and the rent for the one season be \$1.**

*Resolution 2018-06.01-06*

**NEXT MEETING  
DATE**

The Board confirmed the third quarter board meeting on September 14th at 9:00 a.m. at 7555 Falcon Crest Drive in Redmond, Oregon.

**EXECUTIVE SESSION**

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

**RESOLVED, that the Board adjourns to executive session for the purpose of discussing contract negotiations.**

Bill announced the approximate time for the executive session and that action resulting from said executive session, if any, would be taken in open session.

The Board reconvened in open session at 12:35. Following discussion, and upon motion duly made (MB) and seconded (MH) the following resolution was unanimously approved:

**RESOLVED, that directors Mike Bessonette and Hank Cavender be authorized to attend sports center joint use discussions with representatives of the Ridge at Eagle Crest Owners Association, with the understanding that any actions or decisions generated from said discussions must be brought to the full Board for consideration.**

*Resolution 2018-06.01-07*

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 12:36 p.m.

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Secretary to the Association