

**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 21, 2019, at 1:00 p.m. at 7555 Falcon Crest Drive in Redmond, Oregon.
- ATTENDANCE** Directors present included Hank Cavender (Residential Director), Chris Earnest (Commercial Director), and Bill Neumann (VROA Director). Management company staff members present included Robin Dowty, Debbie Hahn, Curt Heimuller, Hannah Henson, Kelsey Rook, and Brenda Tompkins. Brett Limbeck attended representing Oregon Water Utilities. Karen Smith, consultant with Resort Resources, Inc., also attended. Several members of the Association were present at the meeting. Bill Neumann, President, presided at the meeting, and Kelsey Rook recorded the minutes on behalf of the Secretary.
- CONSENT TO AGENDA** The meeting was called to order at 1:05 p.m. Directors unanimously accepted the agenda as presented.
- PRIOR MINUTES** Reading of the prior meeting minutes dated October 28, 2019 was waived and Chris moved to approve the minutes as presented. Hank seconded the motion and it passed unanimously.
- OLD BUSINESS** None pending.
- MANAGEMENT AND COMMITTEE REPORTS**
- FINANCIAL REPORT** Brenda Tompkins provided the financial report, which included the financial summary (“Attachment 1”) and internally prepared third-quarter 2019 financial statements (“Attachment 2”).
- Following discussion and upon motion duly made (CE) and seconded (HC), the following resolution was unanimously approved:
- RESOLVED, that the financial report submitted by Brenda Tompkins including “Attachment 1” and “Attachment 2” be hereby approved subject to audit.**
- Resolution 2019-11.21-01*
- UTILITY SYSTEMS REPORT** Brett Limbeck, reporting for Oregon Water Utilities—the contracted utility system service provider—reviewed the written utilities report (“Attachment 3”). The Board directed Brett to provide 12 months of data for the monthly fats, oils, and greases readings in future utility systems reporting.
- VROA VARIANCE REQUEST – BACKFLOW DEVICE RECOMMENDATIONS** Hannah Henson reviewed her memo summarizing the request from the VROA Board of Directors for an appeal of OWU’s recommendation to ECMA to relocate backflow prevention devices in 14 locations (“Attachment 4”). Hannah summarized the opinion provided by Oregon Water Utilities and shared a map depicting the location of devices which OWU has recommended for relocation (“Attachment 5”).
- Following discussion and upon motion duly made (CE) and seconded (BN), the following resolution was unanimously approved:

RESOLVED, that the backflow standard device installation variance request submitted by VROA for 14 backflow prevention devices be denied.

Resolution 2019-11-21.02

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

RESOLVED, that VROA shall be required to relocate the 14 backflow prevention devices identified per “Attachment 5” by no later than May 1, 2020, with the option of securing an advance from ECMA’s Utility Reserve funds for the actual cost of backflow device relocations not to exceed \$30,000, which advance is to be repaid within two years from time of draw at an annual interest rate of 1%.

Resolution 2019-11-21.03

Hank asked whether there are any other residential dwellings which have not yet installed the required backflow prevention device. Debbie explained that there are attached dwellings that are in the alternate installation application process with OWU.

**OPERATIONS
REPORT**

Hannah Henson presented the written operations report (“Attachment 6”). The Board directed management not to stripe the mail station on Mountain Quail Drive and to research potential locations for the potential future installation of additional mailboxes for Fairway Vista and River View Vista whole unit owners. Directors also instructed management to provide a landscaping plan for the upcoming revitalization of the front entry prior to installation.

**RESERVE EXPENSE
REPORT**

Karen Smith presented the Evaluation of Reserve Account Expenditures vs. Budget per 2019 Reserve Study (“Attachment 7”) noting there are several variances requiring Board approval.

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

RESOLVED, that the Evaluation of Reserve Account Expenditures vs. Budget per 2019 Reserve Study (“Attachment 7”) be approved, including the variances as noted in highlighting on the report.

Resolution 2019-11-21.04

**GOLF OVERSIGHT
COMMITTEE**

Kelsey Rook reported on behalf of committee chair Mike Bessonette that there is no new activity from the committee.

**ENVIRONMENTAL
CONTROL
COMMITTEE**

Jim Madison, committee chair, reported approval of one new application for a monument sign at the Lodge at Eagle Crest

**COVENANT
COMPLIANCE
COMMITTEE**

Hank Cavender, committee chair, reported that while the committee has no new activity, there is a vacancy. Hank recommended that Directors evaluate the communications distributed by sub-associations to their owners for their accuracy and adherence to the governing documents. The Board directed management to research a community association board education program or workshop for Directors in 2020.

**CONTRACTS
MANAGEMENT**

Bill Neumann reported that the committee plans to meet again in first quarter 2020 to renew committee member terms and to select a new chairperson. At their

COMMITTEE

previous meeting, the committee reviewed the service contracts for landscaping and pools and spas and recommends the contracts be awarded to the current vendor, Eagle Crest Management.

**JOINT USE SYSTEMS
EVALUATION
COMMITTEE**

Kelsey Rook provided a verbal report on behalf of committee member and ECMA representative Mike Besonnette. Kelsey noted that the Board was provided the committee’s proposed draft Resort Sports Center access policies which will be discussed during Unfinished Business.

**SCHEDULED 4TH
QUARTER BUSINESS**

**ELECTION OF
OFFICERS**

Following nominations by directors, and upon motion duly made (HC) and seconded (CE), 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 2020, and until their respective successors shall be elected and qualified:

Bill Neumann – President

Mark Hunt – Vice President

Hank Cavender – Secretary

Chris Earnest – Treasurer

Resolution 2019-11-21.05

**TRAVEL/LODGING
EXPENSE POLICY**

Directors reviewed and affirmed the current expense policy for the 2019/2020 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. In addition, communication costs will be reimbursed to directors at cost upon receipt of a bill.”

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

RESOLVED, that the 2019/2020 Travel/Lodging Expense Policy be hereby approved.

Resolution 2019-11-21.06

**2020 ASSOCIATION
BUDGET**

Robin Dowty presented the proposed 2020 Association Budgets, including the draft Facilities budget (“Attachment 8”), draft Utilities budget (“Attachment 9”), and draft Sports Center operations budget (“Attachment 10”). All budgets were studied and discussed at a prior work session attended by Directors and management. The Board directed Robin to remove the \$20,000 meter relocate line item from the Facilities budget as this work is not planned to occur in 2020. Robin noted that the 2020 ECMA consolidated dues and fees represent a \$13 increase per month, per whole-owned dwelling unit in comparison to 2019 rates.

Karen Smith provided the proposed 2020 Association Reserve Studies for Facilities (“Attachment 11”), Utilities (“Attachment 12”), and the Water System

Infrastructure Repair Estimation Plan or “WIREP” (“Attachment 13”). Karen noted that the 2020 Golf Reserve Study will be presented at or before the regular first quarter 2020 meeting. Karen also reminded directors that Resort Resources, Inc. will present specific expenses for approval at the first quarter board meeting, continuing the process by which pre-approval is obtained for planned reserve expenditures.

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

RESOLVED, that the 2020 Eagle Crest Master Association budgets for Facilities (“Attachment 8”), Utility operations (“Attachment 9”), and Sports Center operation (“Attachment 10”) be approved as submitted, with one revision removing \$20,000 budgeted for water meter relocation from the Facilities budget; and

BE IT FURTHER RESOLVED, that the 2020 Association dues shall be assessed at \$76.00 per month, per assessment unit; and

BE IT FURTHER RESOLVED, that the 2020 Association water and sewer rates shall be assessed at \$70.00 per month, per connection; and

BE IT FURTHER RESOLVED, that the Sports Center annual Unit Fee be increased to \$364.19 per Unit and the annual Owner Fee increased to \$30 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 \$139.66 per Unit and the annual Owner Fee be increased to \$10.62 per Owner, as those terms are defined in the Joint Use Easement Agreement; and

BE IT FURTHER RESOLVED, that the 2020 updates to the Association’s Facilities Reserve Study (“Attachment 11”), Utility Reserve Study (“Attachment 12”), and WIREP Reserve Study (“Attachment 13”) be approved as submitted with the financial assumptions and contributions as recommended, and with the understanding that the 2020 Golf Reserve Study will submitted at a later date.

Resolution 2019-11-21.07

**REAUTHORIZE
SIGNING AUTHORITY
FOR 2020**

Following discussion, and upon motion duly made (CE) and seconded (HC), 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 2020.

Resolution 2019-11-21.08

**2020 RESERVE FUND
INVESTMENTS
AUTHORITY**

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

RESOLVED, that the Board adopts the reserve fund investment policy and authorizes Chris Earnest, Curt Heimuller and Brenda

Tompkins to conduct analysis and placement of Eagle Crest Master Association reserve funds, effective for calendar year 2020.

Resolution 2019-11-21.09

**UNFINISHED
BUSINESS**

**SPORTS CENTER
POLICIES DRAFT
UPDATE**

Kelsey Rook presented the draft revised Resort Sports Center access policies developed by the Joint Use Systems Evaluation (JUSE) Committee (“Attachment 14”). The Board directed management to ask the JUSE Committee to share their final draft access policies and related exhibits with the Ridge at Eagle Crest Owners Association Board of Directors and to develop a revenue and cost sharing mechanism for guest fee revenue and costs related to software procurement and identification of authorized facility users.

**WHEEL FUN RENTAL
CONTRACT**

Directors consented unanimously to table the Wheel Fun Rental contract until the first quarter regular meeting in 2020.

NEW BUSINESS

**ECMA LANDSCAPING
CONTRACT**

Hannah Henson presented the First Amendment to Supplemental Agreement to Amended and Restated Management Agreement (“Attachment 15”) which details the landscaping services contract between ECMA and Eagle Crest Management.

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

RESOLVED, that the Board accepts the recommendation of the Contracts Management Committee and awards the landscape maintenance contract to the Eagle Crest Management Landscaping division for a period of three years, with the fee schedule amended to define the annual growing season as April 1 – October 15, and authorizes the Board President to sign said contract on behalf of the ECMA Board.

Resolution 2019-11-21.10

**ECMA POOLS AND
SPAS CONTRACT**

Hannah Henson presented the Supplemental Agreement – Pools and Spas to Amended and Restated Management Agreement (“Attachment 16”) which details the pools and spas services contract between ECMA and Eagle Crest Management.

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

RESOLVED, that the Board accepts the recommendation of the Contracts Management Committee and awards the pools and spas service contract to the Eagle Crest Management Pools and Spas division for a period of three years and authorizes the Board President to sign said contract on behalf of the ECMA Board.

Resolution 2019-11-21.11

**TENNIS
INSTRUCTION
SERVICES**

The Board reviewed the First Amendment to Tennis Instruction Services Agreement (“Attachment 17”) for tennis pro instruction at the Resort Sports Center.

AGREEMENT

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

RESOLVED, that the tennis services agreement (“Attachment 17”) be accepted as presented, and that the Board President be authorized to sign on behalf of the ECMA Board.

Resolution 2019-11-21.12

RESORT RESOURCES, INC. 2020 TASK ORDERS

Directors reviewed the proposed Resort Resources, Inc. 2020 Task Orders for Services (“Attachment 18”).

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

RESOLVED, that the Resort Resources, Inc. 2020 task orders (“Attachment 18”) be hereby approved as submitted and the Board President be authorized to sign the task orders on behalf of the ECMA Board.

Resolution 2019-11-21.13

OTHER NEW BUSINESS

Directors set the following dates for 2020 regular meetings:

1st Quarter – Friday, February 28, 2020, 9:00 a.m. at 7555 Falcon Crest Drive in Redmond, OR

2nd Quarter – Friday, May 29, 2020, 9:00 a.m. at 7555 Falcon Crest Drive in Redmond, OR

3rd Quarter – Friday, September 18, 2020, 9:00 a.m. at 7555 Falcon Crest Drive in Redmond, OR

2020 Annual Meeting – Saturday, September 19, 2020 at 7555 Falcon Crest Drive in Redmond, OR

Annual Budget Study Session – Thursday, October 22, 2020 at 7555 Falcon Crest Drive in Redmond, OR

4th Quarter – Friday, November 13, 2020, 9:00 a.m. at 7555 Falcon Crest Drive in Redmond, OR

ADJOURNMENT

There being no further business, the meeting was adjourned at 4:17 p.m.

Secretary to the Association