

**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 third quarter meeting of the Board of Directors was held on October 4, 2024, at 9:00 a.m. at 7555 Falcon Crest Drive in Redmond, Oregon and via Zoom conference.

ATTENDANCE Directors present included Mike Bessonette (Residential Director), Chris Earnest (Commercial Director), Lori Heironimus (VROA Director), Denene Holbrook (Residential Director), and Bill Neumann (VROA Director). Management company staff members present included Debbie Hahn, Curt Heimuller, Kacy Hjeresen, Mark Owings, and Tori Swearingen. Karen Smith, consultant with Resort Resources, Inc., was also in attendance. Bill Neumann, 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 9:00 a.m. Lori moved to approve the agenda as presented. Denene seconded the motion and it passed unanimously.

PRIOR MINUTES Reading of the prior meeting minutes dated July 25, 2024, was waived and Mike moved to approve the minutes as presented. Denene seconded the motion and it passed unanimously.

Bill opened the discussion of business items.

**MANAGEMENT
AND COMMITTEE
REPORTS**

FINANCIAL REPORT Mark Owings provided the financial report, which included the financial summary (“Attachment 1”) and the internally prepared second quarter 2024 financial statements (“Attachment 2”).

Upon a director request, Mark agreed to rename titles of the accounts receivables line items on the balance sheet to read Accounts Receivable - EHOA Dues and Accounts Receivable - Association Dues.

Mark noted the 2023 financial audit is underway with Hudspeth and Co., with the draft statements estimated to be available by mid-October. Karen suggested the audited statements be approved via consent resolution following director review.

Following discussion and upon motion duly made (LH) and seconded (CE), 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 2024.10.04-01

UTILITY SYSTEMS REPORT Oregon Water Utilities (OWU) provided the written utilities report (“Attachment 3”). The Board requested OWU provide a report on the status of water conservation at the Q4 meeting to measure results of the new irrigation policy implemented this year. Karen noted OWU may need an hour or two of assistance from Parametrix to compare data to the water master plan historic data.

OPERATIONS REPORT Debbie Hahn presented the written operations report (“Attachment 4”) on behalf of Marrison Rainey.

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

RESOLVED, to approve installation of bollards near the heat pump at the maintenance building, to be paid from the repairs and maintenance line item in the facilities operating budget, with timing dependent on funds being available in the budget.

Resolution 2024.10.04-02

Following discussion about the front entry monument signs, management was directed to provide larger renderings of the second and third design options for Board review during the fourth quarter board meeting.

Kacy reported he was notified earlier in the week that water pockets have developed under the tile in the men's locker room shower at the sports center. Management is reviewing options for repair and bids have been requested.

There are no insurance claims to report.

**RESERVE EXPENSE
REPORT**

Karen Smith, reporting for Resort Resources, Inc., reviewed the Budget vs. Expenditures per 2024 Reserve Study ("Attachment 5"), including the highlighted variances presented for approval.

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

RESOLVED, that the Budget vs. Expenditures per 2024 Reserve Study ("Attachment 5") be approved, including the variances as noted in highlighting on the report.

Resolution 2024.10.04-03

**GOLF OVERSIGHT
COMMITTEE**

Committee Chair Mike Bessonette noted the 5-year capital plan typically presented during the Q3 meeting will be prepared for discussion at the upcoming budget planning session.

Mike reported the preliminary budget previously approved for the pro shop improvements did not include permitting fees, which are expected to be approximately \$50,000. Those costs are included in the final budget ("Attachment 6") being requested for approval today. Karen noted she spoke with the lender, and they were agreeable to the change in budget. Mike also provided a loan analysis ("Attachment 7") detailing expected dues increases by type of ownership.

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

RESOLVED, to approve the final project budget ("Attachment 6") for pro shop improvements totaling \$908,753.

Resolution 2024.10.04-04

Mike provided details on the Golf Oversight Committee appointments ("Attachment 8"), noting Hank Cavender's term expires on 12/31/24. Hank has agreed to another 3-year term if appointed.

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

RESOLVED, that Hank Cavender be reappointed to the Golf Oversight Committee with a 3-year term expiring 12/31/27.

Resolution 2024.10.04-05

ENVIRONMENTAL CONTROL COMMITTEE

Debbie provided a verbal report on behalf of the Environmental Control Committee, noting the committee has reviewed 27 applications from EHOA, of which 26 were approved. The denial was related to a request for barrier fencing around several fruit trees. The other sub-associations of ECMA combined had a total of eight (8) applications, all of which were approved.

COVENANT COMPLIANCE COMMITTEE

No activity.

UTILITY SYSTEM PLANNING COMMITTEE

While the committee had no activity, Karen provided a copy of an email from Jim Newton (“Attachment 9”) detailing the status of the Well 2C project. Karen noted the project is expected to be completed within budget. Once the project is complete, Well 2A will be abandoned, filled with bentonite chips, and capped.

SCHEDULED 3RD QUARTER BUSINESS

ANNUAL MEETING PLANNING

Bill noted the annual meeting date was changed to December 7, 2024.

PRELIMINARY 2025 BUDGET ASSUMPTIONS

Debbie summarized the preliminary 2025 Association budget assumptions (“Attachment 10”) and confirmed discussions from today’s meeting will also be incorporated into the budget planning session. Management was asked to ensure the new insurance policy premiums be incorporated into the budget. During the discussion on wildfire risk management, management was directed to review the report from Craig Letz and present a status update at the Q4 meeting regarding the progress of the plan.

UNFINISHED BUSINESS

RESORT SPORTS CENTER FOUNDATION ISSUE

Kacy reviewed information detailing the sports center foundation issue (“Attachment 11”), reporting new gutters have been installed. Kacy noted snow guards on the roof are also recommended to prevent large amounts of snow sliding off the roof, but rather routing runoff to the gutters. Kacy is gathering costs for the snow guards and will present to the Board at a future meeting.

Following discussion about funding the repair work, Karen noted by funding the project out of the sports center reserve fund, the cost will stay with the sports center and be covered by the sports center fee. Karen confirmed she will update the sports center reserve study assuming the expense occurs in 2025 with a recovery period spread over 4-5 years.

JOINT USE EASEMENT AGREEMENT

Mike reported he has attended one meeting regarding the Joint Use Easement Agreement renewal, noting the parties appear to be in consensus regarding the basic terms of the agreement. The parties are considering a five-year agreement. Karen confirmed VROA is the entity granting the easement, and since VROA is governed by the Timeshare Act rather than the Planned Communities Act, they are able to

grant an easement in excess of three years. Mike asked Karen and Curt to research if the agreement can be extended to five years given all the parties involved.

NEW BUSINESS

**EQUESTRIAN
BUILDING LEASE
RENEWAL**

Directors were provided with information on the equestrian building lease agreement renewal (“Attachment 12”), including a draft agreement (“Attachment 13”).

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

RESOLVED, that the first amendment to lease agreement with Eagle Crest Management (“Attachment 13”), extending the lease through December 31, 2025 with monthly rent of \$514, be accepted as presented, and the President be authorized to sign the agreement on behalf of the Association.

Resolution 2024.10.04-06

**OTHER NEW
BUSINESS**

Directors confirmed the budget planning session on October 25th at 9:00am and the fourth quarter meeting on Friday, November 15th at 9:00 a.m. at 7555 Falcon Crest Drive in Redmond, Oregon.

**EXECUTIVE
SESSION**

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

RESOLVED, that the Board adjourns to executive session to discuss contract negotiations.

Resolution 2024.10.04-07

Bill confirmed that action, if any, would be taken in open session. Management company staff members and consultant, Karen Smith, were asked to attend the executive session.

Bill reconvened the meeting in open session at 10:37 a.m. No action was taken.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:38 a.m.

Secretary to the Association