

**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 first quarter meeting of the Board of Directors was held on March 25, 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), Mark Hunt (VROA Director), Denene Holbrook (Residential Director), and Bill Neumann (VROA Director). Management company staff members present included Marrissa Rainey, Curt Heimuller, Debbie Hahn, Mark Owings, and Tori Swearingen. Brett Limbeck, representing Oregon Water Utilities, and Karen Smith, consultant with Resort Resources, Inc., were 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 9:11 a.m. Bill requested an addition at the end of the agenda for an executive session for the purpose of discussing contract negotiations. Mike moved to accept the agenda as amended. Chris seconded the motion and the motion passed unanimously.

PRIOR MINUTES Reading of the prior meeting minutes dated November 15, 2023 was waived and Chris moved to approve the minutes as presented. Mike seconded the motion and it passed unanimously.

OLD BUSINESS None pending.

**MANAGEMENT AND
COMMITTEE
REPORTS**

FINANCIAL REPORT Mark Owings provided the financial report, which included the financial summary (“Attachment 1”) and internally prepared year-end 2023 financial statements (“Attachment 2”). When reviewing the 2023 year-end positive variance compared to the forecast, Mark noted that about \$10,000 in professional fees expenses forecasted to be incurred in 2023 are still expected to be incurred in 2024 for consulting work related to the golf course easement license agreements.

Following discussion and upon motion duly made (MB) 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 2024.03.25-01

Marrissa presented the CPA Audit & Tax Preparation memo (“Attachment 3”) detailing costs for those services, along with the engagement letter provided by Hudspeth & Company, PC, Certified Public Accountants (“Attachment 4”).

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

RESOLVED, that the engagement letter provided by Hudspeth & Company, PC (“Attachment 4”) be hereby approved and the President be authorized to sign.

**UTILITY SYSTEMS
REPORT**

Brett Limbeck of Oregon Water Utilities, ECMA’s contracted utility system service provider, reviewed the written Utilities Report (“Attachment 5”). Brett noted another leak occurred last week in the same general area as the January leak near the pool on Kingfisher Circle. A temporary repair was made, and a permanent repair will be scheduled for completion following the resort’s busy spring break weeks.

Karen Smith provided a verbal update on the well 2a replacement that is currently underway. She passed on the latest update received one week ago from Jim Newton, Cascade Geoengineering, advising that drilling was completed at 380’. Geologic material samples were taken for testing to determine the screen size after which screens will be constructed. The screens are expected to be delivered to the site within the week, and well completion is expected the week of April 1st, followed by well testing, constructing the interconnect from the new well to the water system and moving the pumping equipment. At the request of the engineers, the domestic system was being fed from well 4 during drilling operations.

During drilling, the geologic materials encountered at the new well (#2c) varied somewhat from well 2a and well 2b. The water bearing zone was a bit deeper than both of those wells, which accounts for a slightly deeper well bore. Karen noted the engineers have no budget concerns at this time.

Mark Hunt left the meeting at 9:40 a.m.

**OPERATIONS
REPORT**

Marrissa Rainey presented the written Operations Report (“Attachment 6”), noting the following:

- Marrissa will consult a paint company that offers design services for color recommendations for the resort entry signs and will present renderings to the board for consideration.
- A federal judge declared the Corporate Transparency Act was unconstitutional and implementation has been put on hold.
- Management was asked to confirm the CEC checks issued to ECMA during 2004 - 2009 were deposited to ECMA accounts.

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

RESOLVED, that management is authorized to proceed with removal of one tree inside the fence at the Redtail Hawk Pool facility as recommended in “Attachment 6”.

Resolution 2024.03.25-03

**RESERVE EXPENSE
REPORT**

Karen Smith, reporting for Resort Resources, Inc., presented the Budget vs. Expenditures per 2023 Reserve Study Close Out Report (“Attachment 7”) noting there are three variances requiring approval.

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

RESOLVED, that the Budget vs. Expenditures per 2023 Reserve Study (“Attachment 7”) be approved, including the variances as noted in highlighting on the report.

Resolution 2024.03.25-04

**COMMITTEE
REPORTS**

**GOLF OVERSIGHT
COMMITTEE**

Mike Bessonette reviewed the Golf Oversight Committee (“GOC”) Resort Pro Shop Pavilion Refinement and Restroom Addition Memo (“Attachment 8”), along with a proposed budget provided by Keeton & King Contracting, LLC (“Attachment 9”) and a loan analysis, utilizing budget assumptions, as prepared by Karen Smith of Resort Resources, Inc. (“Attachment 10”). Mike noted the presented budget does not include funds for a kitchen retrofit as those costs have not yet been determined. The Committee requests approval to move forward with the project and present a final design and budget at an upcoming meeting. The goal for approval is no later than June 1st to allow for all permitting to be completed in time to begin the project at the time of course closure this fall.

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

RESOLVED, that the GOC be authorized to move forward with the golf course project, and present the final design, final budget, and financing details to the Board at an upcoming meeting.

Resolution 2024.03.25-05

**ENVIRONMENTAL
CONTROL
COMMITTEE**

Marrissa reviewed the Environmental Control Committee (“ECC”) Update (“Attachment 11”), noting Maura Carlson has agreed to serve an additional term.

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

RESOLVED, that Maura Carlson be appointed to the Environmental Control Committee, with a 3-year term expiring March 2027.

Resolution 2024.03.25-06

Marrissa reviewed a summary of recommended changes to the ECC policies and provided the policy document with changes marked (“Attachment 12”).

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

RESOLVED, to adopt the revised Environmental Control Committee Policies and Guidelines as presented in “Attachment 12”.

Resolution 2024.03.25-07

**COVENANT
COMPLIANCE
COMMITTEE**

No activity.

**UTILITY SYSTEM
PLANNING
COMMITTEE**

Mike reported the Association’s utility system is currently working well, but there are concerns during peak demand periods in summer months, usage is exceeding pumping capacity, resulting in the need to purchase water from Oregon Water Utilities. Additionally, as presented in the updated water master plan report, the static water levels at all well locations indicate the water level in the aquifer is dropping. These are two significant reasons to develop an aggressive water conservation plan.

Mark Hunt rejoined the meeting at 10:28 a.m.

Karen referred to the Utility Systems Planning Committee Report (“Attachment 13”) noting the draft water system master plan update (“Attachment 14”) and the draft sewer system master plan update (“Attachment 15”) have been reviewed by the committee, and the committee recommends approval.

Karen noted the DEQ permit is due for renewal in June 2026 and the reserve study includes funds for the permit work. The work to renew the permit will start by OWU about one year in advance.

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

RESOLVED, that the Water System Master Plan Update (“Attachment 14”) and Sewer System Master Plan Update (“Attachment 15”) be hereby approved.

Resolution 2024.03.25-08

Karen noted the committee recommends ECMA request a written maintenance plan for the ECMA sewer system and OWU’s ECX drain field beds that are operated by OWU, as ECX accepts some flows from ECMA. The Board requested OWU provide such a maintenance plan, and Mike indicated OWU has already been made aware of this request.

The committee recommended the irrigation policy and related fine policy be updated and communicated to the Association members. The Board discussed potentially delegating enforcement in the EHOA neighborhood to the EHOA Board. Following discussion, Mike, Karen, and Marrison agreed to work together to finalize the details, develop a communication, update the irrigation policy and fine policy, then present to the Board for approval via consent resolution.

**SCHEDULED 1st
QUARTER BUSINESS**

**2024 RESERVE
EXPENDITURES**

Karen Smith, reporting for Resort Resources, Inc., provided the Budget vs. Expenditures per 2024 Reserve Study (“Attachment 16”) with the identification of proposed planned expenses indicated by bold font.

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

RESOLVED, that the 2024 reserve fund expenses identified as “planned” in the Budget vs. Expenditures per 2024 Reserve Study (“Attachment 16”) be hereby approved.

Resolution 2024.03.25-09

**UNFINISHED
BUSINESS**

**RESORT SPORTS
CENTER
FOUNDATION ISSUE**

Marrison provided the Sports Center Perimeter Foundation Review (“Attachment 17”), noting the architect’s report should be available within approximately three (3) weeks.

NEW BUSINESS

**SPORTS CENTER
ACCESS POLICY
REVISIONS**

Karen recently worked with Sports Center management on the proposed revisions to the ECMA Policies for Access to Resort Recreation Facilities (“Attachment 18”) and noted the following revisions:

1. The access system activates guest passes rather than issuing guest passes, so that distinction was made.
2. Clarifications were made for more easily understanding access rights associated with different ownership types, mainly fractional ownership. The proposed changes make it much more clear to both owners and staff.
3. The fee schedule was updated for 2024. Karen noted the express pass fees are set by Eagle Crest Acquisition Group, and ECMA does not have input on those fees.

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

RESOLVED, that the revisions to the ECMA Policies for Access to Resort Recreation Facilities be approved as presented in “Attachment 18”.

Resolution 2024.03.25-10

**SPORTS CENTER
JOINT USE
EASEMENT
AGREEMENT (JUEA) –
RENEWAL PROCESS**

Karen reviewed her memorandum titled “Sports Center JUEA-Renewal Process” (“Attachment 19”). Karen noted the JUEA auto-renews unless any party states their desire not to auto-renew prior to November 1st.

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

RESOLVED, that management be directed to communicate to ECAG and RECOA that ECMA desires to continue status quo with the current Joint Use Easement Agreement.

Resolution 2024.03.25-11

**VROA PROJECT
DIRECTOR
RESIGNATION**

Mark Hunt indicated his desire to resign from his position as a VROA Project Director on the ECMA Board of Directors effective immediately. Karen noted the VROA Board met and discussed if there was a vacancy on the ECMA Board, the Board would recommend VROA President Lori Heironimus to fill such vacancy.

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

RESOLVED, that the Board of Directors of the Association hereby accepts the resignation tendered by Mark Hunt to be effective March 25, 2024 and appoints Lori Heironimus, director, and President on the Vacation Resort Owners Association Board, as successor Vacation Resort Ownership Project Director effective March 25, 2024 to serve the remainder of the two-year term.

Resolution 2024.03.25-12

**OTHER NEW
BUSINESS**

The Board confirmed the second quarter board meeting on June 7th at 9:00 a.m. at 7555 Falcon Crest Drive in Redmond, Oregon.

EXECUTIVE SESSION

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

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

Resolution 2024.03.25-13

Bill confirmed that action, if any, would be taken in open session. Eagle Crest Management staff and Consultant Karen Smith attended the executive session.

Bill reconvened the meeting in open session at 11:15 a.m. There were no actions taken by the Board.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:16 a.m.

Secretary to the Association