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 September 25, 2026, 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), and Bill Neumann (VROA Director). Management company staff members present included Marrissa Rainey, Debbie Hahn, Curt Heimuller, Mark Owings, Carolyn Schwaderer, 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 9:03 a.m. Bill requested to add an item on the agenda under New Business for an update on the Well 2c water rights transfer. Lori moved to approve the agenda as amended. Chris seconded the motion, and it passed unanimously.

PRIOR MINUTES Reading of the prior meeting minutes dated June 18, 2026 and August 14, 2026 was waived and Lori moved to approve the minutes as presented. Mike 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 2026 financial statements ("Attachment 2"). Mark noted the 2025 financial audit is near completion with Jones and Roth CPAs.

Mark introduced Carolyn Schwaderer, who is training with Mark to serve as his replacement.

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 2026.09.25-01***

UTILITY SYSTEMS REPORT Oregon Water Utilities (OWU) provided the written utilities report ("Attachment 3"). Karen provided additional information regarding the sand intrusion into Well 2b, noting the associated expenses will be reflected in the third quarter financial report.

Karen reported the Water Pollution Control Facility ("WPCF") renewal application for the drain field system was submitted to the DEQ on April 29. DEQ has since issued a five-year administrative extension of the existing permit to allow time for the renewal application to be processed. However, DEQ staff have confirmed they are actively working through the renewal process.

Karen reviewed the written report regarding the ECMA water main replacement project ("Attachment 4"). The Board agreed that the mailbox relocation and related work would be best handled by a separate contractor and excluded from the infrastructure contract.

Karen recommended a legal review of the project contract, with particular attention to standard provisions addressing performance enforcement, liability, and insurance. The Board directed Karen to obtain a cost estimate for the legal review for the Board's consideration and approval.

OPERATIONS REPORT

Marrissa presented the written operations report ("Attachment 5"). Additional discussion included the following:

- The asphalt vendor recommended grinding and repaving a section of Falcon Crest Drive and a bid has been received for the project. This would be a 2027 project.
- Regarding the front entry sign project, an update was received that KDG will likely match ECMA's contribution toward the front entry project. Details are still being finalized.

Marrissa reviewed the "ECMA Irrigation Policy – Sub-association Compliance Report" ("Attachment 6"). Lori added that VROA has approved their irrigation controller replacements, which are expected to be installed by the end of the year.

There are no insurance claims to report.

RESERVE EXPENSE REPORT

Karen Smith, reporting for Resort Resources, Inc., reviewed the Budget vs. Expenditures per 2026 Reserve Study ("Attachment 7"), noting there are no variances requiring approval.

GOLF OVERSIGHT COMMITTEE

Mike Bessonette, Committee Chair, provided the Golf Oversight Committee Report ("Attachment 8") and noted the cart path seal coating was completed on September 24th.

Marrissa reported the remaining golf course easement encroachment agreements remain pending.

ENVIRONMENTAL CONTROL COMMITTEE

Marrissa Rainey reviewed the written Environmental Control Committee update ("Attachment 9") and introduced new committee members Terry Good and Josh Giggy.

COVENANT COMPLIANCE COMMITTEE

No activity.

UTILITY SYSTEM PLANNING COMMITTEE

No activity.

SPORTS CENTER IMPROVEMENT COMMITTEE

Mike Bessonette summarized the written ECMA Sports Center Improvement Committee Report ("Attachment 10") noting the Ridge at Eagle Crest Owners Association ("RECOA") may take action on the project at their October meeting. He recommended ECMA defer action until after RECOA has made their decision.

SCHEDULED 3RD QUARTER BUSINESS

ANNUAL MEETING UPDATE

Marrissa reported that a quorum for the ECMA annual meeting on September 26th has been achieved. The meeting will be held in a virtual format as noticed to the membership.

PRELIMINARY 2027 BUDGET ASSUMPTIONS

Marrissa summarized the preliminary 2027 Association budget assumptions ("Attachment 11") and confirmed relevant discussions from today's meeting will also be incorporated into the budget planning session.

PROPERTY / LIABILITY INSURANCE PACKAGE POLICY RENEWAL

Marrissa referred Directors to the "Eagle Crest Master Association 2025-2026 Insurance Proposal" submitted by Alliant Insurance Services ("Attachment 12").

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

RESOLVED, to approve the insurance proposal submitted by Alliant Insurance Services and to authorize management to bind the policy for one-year effective October 1, 2026.

Resolution 2026.09.25-02

GOLF COURSE 5-YEAR CAPITAL PLAN

Golf Operations Committee Chair Mike Bessonette presented the "Resort Golf Course Capital Plan through 2031" ("Attachment 13"), summarizing the 2027 planned projects.

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

RESOLVED, that the "Resort Golf Course Capital Plan through 2031" ("Attachment 13") be hereby approved as presented.

Resolution 2026.09.25-03

UNFINISHED BUSINESS

WELL 2B WATER SYSTEM

Karen reviewed the Well 2b project update ("Attachment 14"), noting well 2c has a finer screening system than well 2b, which should prevent sand from entering the water distribution system from that well.

NEW BUSINESS

EQUESTRIAN BUILDING LEASE RENEWAL

Directors were provided with information on the equestrian building lease agreement renewal, including a draft agreement ("Attachment 15").

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

RESOLVED, that the Third Amendment to Lease Agreement with Eagle Crest Management ("Attachment 15"), extending the lease through December 31, 2027 with monthly rent of $545, be accepted as presented, and the President be authorized to sign the agreement on behalf of the Association.

Resolution 2026.09.25-04

SAFETY SERVICES CONTRACT RENEWAL REVIEW

Directors were provided the Safety Services Agreement Renewal memo and the Supplemental Agreement to Amended and Restated Management Agreement ("Attachment 16") which details the safety services contract between ECMA and Eagle Crest Management.

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

RESOLVED, that the Board approves the Supplemental Agreement to Amended and Restated Management Agreement ("Attachment 16") with the Eagle Crest Management Safety Services division for a period of three years effective January 1, 2027, and authorizes the Board President to sign said agreement on behalf of the ECMA Board.

Resolution 2026.09.25-05

AUTHORIZE SIGNING AUTHORITY FOR 2026/2027

Marrissa reviewed the report titled "Association Signing Authority for Liens" ("Attachment 17").

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

RESOLVED, to revoke Ruth Valdivia's signing authority and appoint Carolyn Schwaderer as an authorized signer for Association liens and releases of liens, through December 31, 2026.

Resolution 2026.09.25-06

The Board confirmed Curt Heimuller's previously approved signing authority remains unchanged.

WELL 2C WATER RIGHTS TRANSFER UPDATE

Karen reported the Oregon Water Resources Department (OWRD) issued their Initial Review and denied the application to transfer water rights from the abandoned Well 2a to the new Well 2c and a reply to OWRD is the next step which reply is due in late October.

Karen recommended engaging a water rights attorney to lead the initial response to OWRD and possible next steps, with support from the existing consultants. She advised that Parametrix and Cascade Geoengineering have recommended several attorneys. She requested Board approval to engage an attorney and have the attorney selection made by Karen and Curt.

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

RESOLVED, to engage the water rights attorney selected by Curt Heimuller and Karen Smith to file and lead the response to the Oregon

Water Resources Department's initial review and denial of the water rights transfer application.

Resolution 2026.09.25-07

OTHER NEW BUSINESS

Directors rescheduled the budget planning session to October 27th at 9:00 a.m. and confirmed the fourth quarter board meeting on November 5th at 9:00 a.m.

Bill Neumann was recognized for 16 years of dedicated service to the ECMA Board, ten of which he served as President.

EXECUTIVE SESSION

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

RESOLVED, that the Board adjourns to executive session to discuss a legal matter.

Resolution 2026.09.25-08

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 10:47 a.m. No action was taken.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:47 a.m.

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Secretary to the Association