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 26, 2025, 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 Marrissa Rainey, Debbie Hahn, Curt Heimuller, 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 9:27 a.m. Mike moved to approve the agenda as presented. Lori seconded the motion, and it passed unanimously.

PRIOR MINUTES Reading of the prior meeting minutes dated June 13, 2025 was waived and Lori 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 2025 financial statements ("Attachment 2"). Mark noted he will follow the ECMA collection policy with the delinquent owner and Marrissa will coordinate with Mark to confirm all collection options are exhausted. It was noted the collection policy includes options for utility shutoff but that specific procedures and notices are required.

Mark noted the 2024 financial audit is near completion with Hudspeth and Co. and acknowledged the need to complete the tax return by October 15 as well as meet the deadline imposed by the bank as it relates to the loan.

Following discussion and upon motion duly made (CE) and seconded (LH), 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 2025.09.26-01***

UTILITY SYSTEMS REPORT Oregon Water Utilities (OWU) provided the written utilities report ("Attachment 3"). Marrissa reported an emergency repair was completed by OWU yesterday on Mountain Quail Drive in the EHOA neighborhood, which resulted in some EHOA owners being without water for a few hours.

Karen referred directors to a services proposal provided by Parametrix ("Attachment 4") for evaluating and planning for a potential full replacement of the water line along Mountain Quail Drive, from the four-way stop to just past the hotel. Karen stated she will provide the proposal to OWU for their review and input, and management was directed to prepare details of what has been spent on past repairs in

that area. This additional information will be presented for Board consideration at the Q1 2026 meeting. Karen also suggested a Parametrix engineer attend the meeting to expand on the current problems and full replacement option.

Marrissa provided a verbal update on the irrigation policy, noting a review of ECMA's system is currently underway. She stated that any anticipated costs for controller or system updates in 2026 will be presented at the upcoming budget study session. The sub-associations are undergoing the same type of review and recommendations.

OPERATIONS REPORT

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

- Management will present some ideas for alternative use of the softball area of the soccer field. Karen noted the area will likely need to remain open space as well as green space to retain water rights, so that may limit options.
- Regarding the risk mitigation recommendation for tree trimming or removal at the Sports Center, it was noted those costs would be an ECMA operational expense since ECMA is responsible for landscaping at the facility.
- Bill asked management to present costs to install 5' of rock around the perimeter of the Equestrian building, in a color that would blend with the natural landscape.

Marrissa requested Board ratification of the President's action authorizing the transfer of the Association's legal files to Buchalter, A Professional Corporation, following legal counsel Michelle Da Rosa's transition to the new firm. This action ensures continuity of legal representation and access to all relevant Association records.

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

> **RESOLVED, to ratify the President's signing of the Authorization for Transfer of Files to Buchalter, A Professional Corporation ("Attachment 6").**
>
> ***Resolution 2025.09.26-02***

Marrissa requested Board ratification of the President's action to ratify the Sports Center Phone Agreement with BendTel ("Attachment 7") which became necessary after the Vacation Resort Owners Association ("VROA") and Sports Center phone systems were separated at the time of VROA's recent transition in management.

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

> **RESOLVED, to ratify the President's signing of the BendTel Service Agreement ("Attachment 7").**
>
> ***Resolution 2025.09.26-03***

There are no insurance claims to report.

RESERVE EXPENSE REPORT

Karen Smith, reporting for Resort Resources, Inc., reviewed the Budget vs. Expenditures per 2025 Reserve Study ("Attachment 8"), noting the highlighted variance for the dosing tank flow meter.

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

RESOLVED, that the Budget vs. Expenditures per 2025 Reserve Study ("Attachment 8") be approved, including the variance as noted in highlighting on the report.

Resolution 2025.09.26-04

GOLF OVERSIGHT COMMITTEE

Mike reported the pro shop remodel is in the final stages with completion delayed by a requirement imposed by Central Electric Cooperative (CEC) to have a new main line installed. CEC has a job number assigned for the work but has not provided an estimated timeline. Once CEC completes their work, the final landscaping can be finished. Mike noted Aimbridge plans to hold an open house once the project is complete.

Mike provided the actual costs for the pro shop remodel as of September 18, 2025 ("Attachment 9") and noted costs were under the approved budget. Mike reported the monthly cost to owners is expected to be $15 - $16 per month per unit given the current numbers but could change based on final expenses and interest rates.

Directors discussed the possibility of allowing owners to prepay their share and agreed to consider the option. Karen noted it would need to be a one-time opportunity, as the loan is scheduled to be finalized by December 9th. Karen will consult with the banker to determine how similar situations have been handled.

Mike provided an update on the Golf Oversight Committee appointments ("Attachment 10"), noting Jay Bakewell's term expires on December 31, 2025 and he does not wish to continue serving. Mike reported receiving interest from EHOA owner Jeff Lalande to serve on the committee and recommended his appointment to fill the vacant seat effective January 1, 2026. A biography for Mr. Lalande was included in "Attachment 10".

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

RESOLVED, that Jeff Lalande be appointed to the Golf Oversight Committee with a 3-year term expiring 12/31/28.

Resolution 2025.09.26-05

Mike noted that the Committee requested the Board consider appointing an alternate member to attend meetings for training and experience, ensuring readiness to assume a voting role if a vacancy occurs. The Board agreed with the concept and will revisit the matter when alternate candidates are recommended.

Karen noted work continues on the golf course easement encroachment agreements, but there is no specific update to provide at this time.

ENVIRONMENTAL CONTROL COMMITTEE

Marrissa Rainey reviewed the written Environmental Control Committee update ("Attachment 11").

COVENANT COMPLIANCE COMMITTEE

No activity.

UTILITY SYSTEM PLANNING COMMITTEE

Karen provided a verbal update, noting the well #2c water rights transfer is awaiting final approval and is expected to be approved without issue, but it can take up to a year or more to process. The final expense for the project will be for Parametrix to file the claim of beneficial use. The project will finish well under the approved budget.

SCHEDULED 3RD QUARTER BUSINESS

ANNUAL MEETING UPDATE

Marrissa reported that a quorum for the ECMA annual meeting on September 27th has been achieved. The meeting will be held in a virtual format as noticed to the membership.

PRELIMINARY 2026 BUDGET ASSUMPTIONS

Marrissa summarized the preliminary 2026 Association budget assumptions ("Attachment 12") and confirmed discussions from today's meeting will also be incorporated into the budget planning session. Bill requested Kacy Hjeresen review the scope of work for pool and spa services to ensure the current scope is at adequate levels for proper maintenance of the water bodies.

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 13").

Following discussion and upon motion duly made (MB) and seconded (DH), 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, 2025.

Resolution 2025.09.26-06

GOLF COURSE 5-YEAR CAPITAL PLAN

Golf Operations Committee Chair Mike Bessonette presented the "Resort Golf Course 5-Year Capital Plan through 2031" ("Attachment 14"), summarizing the 2026 planned projects.

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

RESOLVED, that the updated "Resort Golf Course 5-Year Capital Plan" ("Attachment 14") be hereby approved as presented.

Resolution 2025.09.26-07

UNFINISHED BUSINESS

SPORTS CENTER JUEA

Bill noted there has been no activity related to the Sports Center Joint Use Easement Agreement.

NEW BUSINESS

SPORTS CENTER LEASE RENEWAL

Karen reviewed her summary memo "Sports Center Lease – Term Extension – Option #3" ("Attachment 15") along with a draft third amendment to lease ("Attachment 16"), noting she recommends renewing the last of three 5-year renewal options with no change in terms.

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

RESOLVED, that the Sports Center Lease between Vacation Resort Owners Association ("Landlord") and Eagle Crest Master Association ("Tenant") be renewed for a third five-year period beginning January 1, 2026 and ending December 31, 2030, and the President be authorized to sign the lease on behalf of the Association.

Resolution 2025.09.26-08

EQUESTRIAN BUILDING LEASE RENEWAL

Directors were provided with information on the equestrian building lease agreement renewal ("Attachment 17"), including a draft agreement ("Attachment 18").

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

RESOLVED, that the Second Amendment to Lease Agreement with Eagle Crest Management ("Attachment 18"), extending the lease through December 31, 2026 with monthly rent of $528, be accepted as presented, and the President be authorized to sign the agreement on behalf of the Association.

Resolution 2025.09.26-09

EXTENSION CORD/EV CHARGING POLICY

Marrissa provided a draft extension cord/EV charging policy ("Attachment 19") for Board review. Marrissa noted the Vacation Resort Owners Association has already adopted a similar policy, and she will be presenting the policy to the River View Vista Estates Board of Directors as well.

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

RESOLVED, to adopt the extension cord/EV charging policy as presented in "Attachment 19".

Resolution 2025.09.26-10

OTHER NEW BUSINESS

Directors rescheduled the budget planning session to Friday, November 7th at 9:00am and the fourth quarter meeting to Friday, November 21st at 9:00 a.m.

EXECUTIVE SESSION

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

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

Resolution 2025.09.26-11

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 11:36 a.m. No action was taken.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:37 a.m.

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Secretary to the Association