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 20, 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), and Bill Neumann (VROA Director). Management company staff members present included Marrissa Rainey, Curt Heimuller, Debbie Hahn, Kacy Hjeresen, and Mark Owings. 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 9:06 a.m. Lori moved to accept the agenda as presented. Chris seconded the motion and the motion passed unanimously.

PRIOR MINUTES Reading of the prior meeting minutes dated November 15, 2024 was waived and Mike moved to approve the minutes as presented. Lori 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 2024 financial statements ("Attachment 2"). Mark O. indicated additional revisions are needed to the balance sheet, so the Board postponed approval of the financial report to a future special meeting or via unanimous consent resolution.

- Mark O. was directed to provide a final set of financial statements to the Treasurer for initial review before distributing to all directors.

Marrissa referred to the engagement letter received by Hudspeth & Company, PC for the audit of the 2024 financial statements and preparation of the 2024 tax return ("Attachment 3").

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

> **RESOLVED, to approve engaging Hudspeth & Company, PC for the Association's 2024 audit and tax return preparation at the cost of $9,200 and authorize the ECMA President to sign the engagement letter ("Attachment 3").**

Resolution 2025.03.20-01

UTILITY SYSTEMS REPORT Brett Limbeck of Oregon Water Utilities, ECMA's contracted utility system service provider, reviewed the written Utilities Report ("Attachment 4").

Marrissa reported a bid was received the prior evening for the service connection work noted in the report. Karen noted the Association used to carry a capital expense budget in the operating fund as it was known this would be needed; however, after several years of no expense, it was removed from the budget. Karen confirmed the Association is required to provide this service and given the starting fund balance for 2025, suggested funding the expense out of the sewer operating fund. Mike noted there are only two additional undeveloped lots.

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

> **RESOLVED, to approve proceeding with the sewer hot tap with a total budget not to exceed $12,000 to be paid from the sewer operating budget.**

Resolution 2025.03.20-02

Regarding Brett's suggestion to repair a section of water line in front of the hotel where there have been multiple breaks, the Board requested Brett acquire a quote for the work so it could be considered as a 2026 reserve-funded project. Brett recommended consulting with Parametrix to provide an engineered solution. Karen noted a scope of work will need to be provided to Parametrix in order for them to develop a proposal. The Board agreed with this approach and suggested approving the scope of work and Parametrix engagement via consent resolution.

The Board discussed installing bollards around the Well #2C well head to protect it from damage. Karen confirmed there are funds remaining in the approved budget for the project, and management was directed to get a bid for the work. Brett confirmed the well head is not required to be fenced since it is fully sealed.

Mike provided a chart prepared by Parametrix detailing water usage during irrigation season ("Attachment 5"). It was noted some of the sub-associations are not incompliance with the Association's irrigation policy primarily due to old irrigation systems and equipment that make it very difficult to comply with the Association's policy of time of day and odd/even day watering requirement.

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

> **RESOLVED, that the Board direct the sub-associations to develop a plan that would bring them into compliance with the current ECMA irrigation policy.**

Resolution 2025.03.20-03

OPERATIONS REPORT

Marrissa Rainey presented the written Operations Report ("Attachment 6") and discussed alternate materials that could be used for roadway striping which are intended to have a longer life than standard paint.

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

> **RESOLVED, to complete standard paint roadway striping at the main intersections following sweeping.**

Resolution 2025.03.20-04

RESERVE EXPENSE REPORT

Karen Smith, reporting for Resort Resources, Inc., presented the Budget vs. Expenditures per 2024 Reserve Study Close Out Report ("Attachment 7") noting the two 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 2024 Reserve Study ("Attachment 7") be approved, including the variances as noted in highlighting on the report.**
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> ***Resolution 2025.03.05***

COMMITTEE REPORTS

GOLF OVERSIGHT COMMITTE

Mike Bessonette provided a verbal update of the annual golf projects, which includes cart path sealcoating and repair, and ongoing irrigation updates. Mike noted the bentonite lining of the pond south of Falcon Crest Drive adjacent to the tee box of hole #6 is no longer viable and continues to result in lowering water levels and stagnant water. The Committee has approved filling the pond and landscaping the area. Expenses for the project are estimated at $5,000. The Board President agreed to funding the project from funds not used from the Well #2c project.

Mike provided an update on the pro shop remodel, noting all the deconstruction has been completed and construction is on hold until Deschutes County issues the permits. Mike noted the original estimated completion date of April 1st will not be achieved due to the delay in permitting.

ENVIRONMENTAL CONTROL COMMITTEE

Marrissa reviewed the Environmental Control Committee ("ECC") Update ("Attachment 8"), noting Shan Hartford has agreed to serve an additional term.

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

> **RESOLVED, that Shan Hartford be appointed to the Environmental Control Committee, with a 3-year term expiring March 2028.**
>
> ***Resolution 2025.03.20-06***

COVENANT COMPLIANCE COMMITTEE

No activity.

UTILITY SYSTEM PLANNING COMMITTEE

Karen referred to the comprehensive closeout report for the Well #2c project provided by Cascade Geoengineering ("Attachment 9"). Karen directed attention to page 3 of the report which details the remaining work to be completed. The final task which will need to be completed by Parametrix is to transfer water rights from Well #2a to Well #2c and file a claim of beneficial use with the Oregon Health Authority. Parametrix cautioned about the amount of time it has taken to complete water rights transfers previously and recommended paying the fee for the expedited review process. Karen confirmed the expedited review fee could be absorbed by the existing approved budget.

SCHEDULED 1st QUARTER BUSINESS

2025 RESERVE EXPENDITURES

Karen Smith, reporting for Resort Resources, Inc., provided the Budget vs. Expenditures per 2025 Reserve Studies ("Attachment 10") with the identification of proposed planned expenditures indicated by bold font. Karen noted there is one variance shown on the report requiring approval.

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

> **RESOLVED, that the 2025 reserve fund expenses identified as planned in the Budget vs. Expenditures per 2025 Reserve Studies ("Attachment 10") be hereby approved; and,**
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> **BE IT FURTHER RESOLVED, that the Budget vs. Expenditures per 2025 Reserve Studies ("Attachment 10") be approved, including the variance as noted in highlighting on the report.**

Resolution 2025.03.20-07

UNFINISHED BUSINESS

RESORT SPORTS CENTER FOUNDATION PROJECT

Kacy provided the Resort Sports Center foundation repair project update ("Attachment 11"), noting the project is complete with the exception of landscaping repairs. Bids for the necessary landscaping work will be acquired and presented for approval. Once irrigation is turned back on for the season, sprinklers will be relocated as necessary to ensure water is not hitting the building. Karen recommended ECMA fund the landscaping repair expenses and noted she will provide the same recommendation to VROA at their upcoming meeting.

NEW BUSINESS

RESORT RESOURCES, INC. 2025 TASK ORDERS

Karen Smith provided the proposed Resort Resources, Inc. 2025 Task Orders for Services ("Attachment 12").

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

> **RESOLVED, that the Resort Resources, Inc. 2025 task orders ("Attachment 12") be hereby approved as submitted retroactive to January 1, 2025, and that the Board President be authorized to sign the task orders on behalf of the ECMA Board.**

Resolution 2025.03.20-08

EHOA ARC GUIDELINE REVIEW

Karen Smith provided a memo ("Attachment 13") detailing her review of the Estate Homesite Association ARC Guidelines ("Attachment 14"), noting she recommends approval of the guidelines subject to the changes detailed in her memo.

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

RESOLVED, that the EHOA Architectural Review Guidelines ("Attachment 14") be adopted following incorporation of the recommended edits presented in "Attachment 13".

Resolution 2025.03.20-09

OTHER NEW BUSINESS

The Board confirmed the second quarter board meeting on June 13th 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 (BN), the following resolution was unanimously approved:

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

Resolution 2025.03.20-10

Bill confirmed that action, if any, would be taken in open session. Eagle Crest Management staff and Consultant Karen Smith attended the executive session. The executive session began at 10:53 a.m.

Bill reconvened the meeting in open session at 11:24 a.m. There was no action taken by the Board.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:25 a.m.

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Secretary to the Association