

**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 15, 2019 at 9:00 a.m. at 7555 Falcon Crest Drive in Redmond, Oregon and via teleconference.

ATTENDANCE Directors present included Mike Bessonette (Residential Director), Hank Cavender (Residential Director), Chris Earnest (Commercial Director), Mark Hunt (VROA Director), and Bill Neumann (VROA Director). Management company staff members present included Robin Dowty, Curt Heimuller, Debbie Hahn, and Kelsey Rook. Attendance by Mike was accommodated via teleconference call. Brett Limbeck of Oregon Water Utility and Karen Smith, consultant with Resort Resources, Inc., also attended. One member of the Association was in attendance. Bill Neumann, President, presided at the meeting and Kelsey Rook recorded the minutes on behalf of the Secretary.

CONSENT TO AGENDA The meeting was called to order at 9:12 a.m. Mark moved to accept the agenda as presented and Hank seconded the motion. The motion passed unanimously.

PRIOR MINUTES Reading of the prior meeting minutes dated November 16, 2018 was waived and Hank moved to approve the minutes. Chris seconded the motion and it passed unanimously. Bill opened the discussion of business items.

OLD BUSINESS None pending.

**MANAGEMENT AND
COMMITTEE
REPORTS**

FINANCIAL REPORT Robin Dowty provided the financial report, which included the financial summary (“Attachment 1”) and internally prepared year-end 2018 financial statements (“Attachment 2”).

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

RESOLVED, that the financial report submitted by Robin Dowty including “Attachment 1” and “Attachment 2” be hereby approved subject to audit.

Resolution 2019-03.15-01

UTILITY SYSTEMS REPORT Brett Limbeck of Oregon Water Utilities (OWU) reviewed the written utilities report (“Attachment 3”). There was no action requested of or taken by directors.

Debbie Hahn presented a status update on the residential backflow prevention device installations throughout ECMA (“Attachment 4”). There was no action requested of or taken by directors.

Debbie next provided an update on the commercial backflow prevention device installations (“Attachment 5”), noting that directors received the OWU approval letter for proposed installation plans at the golf pro shop and resort sports center prior to the meeting.

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

RESOLVED, that the proposal for backflow prevention device installation at the Resort Sports Center be approved as presented, at a budget not to exceed \$7,200, to be paid from the Sports Center operating fund.

Resolution 2019-03.15-02

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

RESOLVED, that the proposal for backflow prevention device installation at the Resort Pro Shop be approved as presented, with the water meter relocation to be paid from the Utility operating fund and the device installation to be paid by the tenant.

Resolution 2019-03.15-03

**UTILITIES SYSTEM
AGREEMENT**

Karen Smith, reporting for Resort Resources, Inc., reviewed her memo regarding the Oregon Water Utilities Systems Management Agreement (“Attachment 6”). Karen reported that the agreement dates back to 1993 and would benefit from a review and update. The Board directed Karen to engage association attorney Michelle De Rosa to perform a legal review of the agreement.

**OPERATIONS
REPORT**

Debbie Hahn presented the written operations report (“Attachment 7”) and noted there are no insurance claims to report. The Board discussed two requests from the Estate Homesites Owners Association. The Board directed management to periodically inspect the Thunderbird Court common areas and consider adding native vegetation such as blue fescue grasses if weed abatement cannot be achieved with spraying alone. Management shall seek approval from the Board President for any proposed costs for planting in this area. The Board further directed management to add parking stall striping at the mailbox station on Mountain Quail Drive with assistance from Residential Directors Mike Bessonette and Hank Cavender.

Hank noted that repeated encroachments onto ECMA common property have taken place, notably the placement of unapproved signage along the river trail and evacuation routes. The Board directed management to contact the EHOA Manager to coordinate evacuation signage design and placement in conjunction with the Environmental Control Committee review. Management will send a notification to ECMA sub-associations reminding them of the proper procedure for requests to alter or improve ECMA common property. If signage continues to be erected along the river trail, management will consider adding trail cameras at those locations.

**RESERVE EXPENSE
REPORT – 2018
CLOSEOUT**

Karen Smith, reporting for Resort Resources, Inc., reviewed the Evaluation of Reserve Account Expenditures vs. Budget per 2018 Reserve Study (“Attachment 8”), reporting there is one variance requiring director approval for the golf restroom roof replacement.

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

RESOLVED, that the “Evaluation of Reserve Account Expenditures vs. Budget per 2018 Reserve Study” (“Attachment 8”) be hereby approved, including the variance as noted on the report.

Resolution 2019-03.15-04

**GOLF OVERSIGHT
COMMITTEE**

Mike Bessonette, Golf Oversight Committee chairperson, provided a verbal review of the 2019 board-approved projects. Mike reported that the golf course tenant has made several capital purchases recently including new greens maintenance equipment and a new golf cart fleet. There was no action requested of or taken by directors.

**ENVIRONMENTAL
CONTROL
COMMITTEE**

Debbie Hahn provided a verbal report on behalf of Jim Madison, Environmental Control Committee chairperson. Three recent applications were granted approval by the committee, including a WorldMark storage addition, a unit remodel and addition at Fairway Vista Estates, and tree removal at the Resort Sports Center. Bill noted that Shan Hartford's term is up this year.

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

RESOLVED, that Shan Hartford be reappointed to the Environmental Control Committee, with a 3-year term expiring March 2022.

Resolution 2019-03.15-05

**COVENANT
COMPLIANCE
COMMITTEE**

Hank reported no new activity from the committee.

**CONTRACTS
MANAGEMENT
COMMITTEE**

Bill reported that a new chairperson will be selected during the April meeting, at which time the committee will review its 2019 goals and projects.

**JOINT USE SYSTEMS
EVALUATION
COMMITTEE**

Mike provided his Joint Use Systems Evaluation Committee summary ("Attachment 9"). No action was requested of or taken by the Board.

**SCHEDULED 1st
QUARTER BUSINESS**

**2019 RESERVE
EXPENDITURES**

Karen Smith, reporting for Resort Resources, Inc., provided the Evaluation of Reserve Account Expenditures vs. Budget per 2019 Reserve Study ("Attachment 10") requesting approval of planned expenses as indicated by the letter "P".

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

RESOLVED, that the 2019 reserve fund expenses identified as "planned" in the Evaluation of Reserve Account Expenditures vs. Budget per 2019 Reserve Study ("Attachment 10") be hereby approved.

Resolution 2019-03.15-06

**UNFINISHED
BUSINESS**

ECMA SEWER SERVICES AGREEMENT

Karen Smith, reporting for Resort Resources, Inc., presented the revised ECMA Sewer Services Agreement (“Attachment 11”), which included corrections to Exhibits A and F.

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

RESOLVED, that the amended ECMA Sewer Systems Agreement (“Attachment 11”) be hereby approved as presented.

Resolution 2019-03.15-07

2019 RESERVE FUND INVESTMENTS AUTHORITY

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

RESOLVED, to adopt the reserve fund investment policy and authorize Robin Dowty, Chris Earnest, and Curt Heimuller to conduct analysis and placement of Eagle Crest Master Association reserve funds, effective for calendar year 2019.

Resolution 2019-03.15-08

BACKUP POWER GENERATOR FOR WATER SYSTEMS

Curt Heimuller reported no new activity from South West Water Company on this project.

NEW BUSINESS

TENNIS INSTRUCTION SERVICES AGREEMENT

Debbie Hahn reviewed the draft services agreement (“Attachment 12”) for tennis pro instruction at the Resort Sports Center.

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

RESOLVED, that the tennis services agreement with Butler Gander be accepted as presented, and that the Board President be authorized to sign on behalf of the ECMA Board.

Resolution 2019-03-15.09

SPORTS CENTER POOLISDE GRILL SUBLEASE

Debbie Hahn presented the updated Sports Center Poolside Grill Sublease (“Attachment 13”), noting that the same food service vendor is returning for the 2019 season.

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

RESOLVED, that management be authorized to present a sublease of the Resort Sports Center food and beverage space to operator Gretchen Thoma based on the same terms and conditions as the previous sublease, with the exception that term be for May 15, 2019 – September 30, 2019; rent for the season shall be \$10/month; and the automobile liability insurance requirement be decreased from \$1,000,000 to \$500,000.

Resolution 2019-03-15.10

SPORTS CENTER CAPITAL EXPENSE –

Debbie Hahn presented a request for the purchase of a tennis ball machine for use at the Resort Sports Center (“Attachment 14”). The machine would be rented to users at a cost of \$25/hour, which is expected to provide a short return on investment after

**TENNIS BALL
MACHINE**

which time the asset could be “gifted” to VROA and added to the Resort Sports Center Reserve Study.

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

RESOLVED, that the purchase of a tennis ball machine at a cost of \$2,750 to be paid out of the Sports Center operating fund be approved; and

BE IT FURTHER RESOLVED, that once a return on the investment has been reached, the asset shall be gifted to VROA.

Resolution 2019-03-15.11

**OTHER NEW
BUSINESS**

The Board confirmed the second quarter board meeting on May 17th at 9:00 a.m. at 7555 Falcon Crest Drive in Redmond, Oregon.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:42 p.m.

Secretary to the Association