

**Eagle Crest Master Association  
Annual Meeting of Members  
September 15, 2018**

- DATE & TIME** Pursuant to Section 2, Article II of the Bylaws of the Eagle Crest Master Association, a regular annual meeting of members was held on Saturday, September 15, 2018, at 11:30 a.m., at 7555 Falcon Crest Drive in Redmond, Oregon.
- CALL TO ORDER** Bill Neumann, President, called the meeting to order at 11:30 a.m. Kelsey Rook recorded the minutes on behalf of the Secretary. Bill introduced directors, officers and management staff present at the meeting.
- QUORUM** Karen Smith confirmed that a quorum was present in person and by proxy.
- MINUTES** Minutes from the annual meeting of members held on September 16, 2017 were available for member review and had also been posted on the owner website. Reading of minutes was waived; a motion was made, seconded and unanimously approved to accept the minutes as written.
- ELECTION OF DIRECTORS** Bill clarified that the ECMA Board consists of three types of directors: Vacation Resort (two Directors), Residential Projects (two Directors) and Commercial Projects (one Director). Karen advised that the terms of Vacation Resort Owners Association directors Mark Hunt and Bill Neumann, expire this year.
- Vacation Resort Bylaws dictate how the Vacation Resort Project directors are elected. Qualification to be a nominee is to be a board member of VROA. Bill noted proxy votes along with ballots cast by members in attendance were counted for the Vacation Resort Project Directors, results verified, and Mark Hunt and Bill Neumann have been elected to serve two year terms, expiring in 2020.
- IRS RESOLUTION** Following discussion, and after motion duly made and seconded, the following resolution was passed by a majority of the Association members present at the meeting in person and by proxy:
- RESOLVED, that any excess membership income over membership expenses for the year ended December 31, 2018, shall be applied against the subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.**
- PRESIDENT'S REPORT** Bill provided a brief report on the activities of the Association Board during the past year, noting:
- ECMA is responsible for maintaining the roadways and open space common areas, the water and sewer utility systems, the Resort Sports Center, and the pool facility on Redtail Hawk Drive. ECMA owns the golf course but leases it to a golf course operator on a long-term lease, while still controlling the capital improvement decisions and providing input to course maintenance and improvement through its Golf Oversight Committee.
  - Besides the golf course, the utility systems are the primary Association asset. Reserve funds are collected for the water system source assets (wells, pumps, control panels) and sewage treatment systems (tanks, pumps, drain field beds). The Association has established a fund to plan for water system infrastructure replacement, eg. hydrants, valves, distribution lines, and these funds are used to repair water line breaks when they occur. There was such a main line break in late August on Mtn Quail Drive as a result of pipe settling onto rock. The repair will be funded by the Water Infrastructure Repair Reserve Fund.

- The Association Board of Directors meets for regular business on a quarterly basis. In 2018, the Board held 6 special meetings in addition to these regular quarterly meetings.
- Established in June 2017, the Contracts Management Committee met throughout the year to evaluate the measurable deliverables of all annual service contracts over \$10,000. Activity to date included soliciting proposals for landscaping services, which contract (3 yrs.) was awarded by the Board starting January 2017; soliciting proposals for guest/safety services, which contract (3 yrs.) was awarded by the Board starting January 2018; soliciting proposals for pools and spa services, which contract (1 yr.) was awarded by the board on June 1, and the execution of an RFP process for laundry and janitorial services at the Resort Sports Center, which contract is anticipated to be awarded in December 2018. Additional active committees of the Association include:
  - Environmental Control Committee
  - Covenants Control Committee
  - Golf Oversight Committee
- ECMA continues to operate the Resort Sports Center in accordance with its lease with the facility owner, the Vacation Resort Owners Association (VROA). The VROA Board has approved proceeding with a remodel of the sports center lobby, an expansion of the bathroom off the lobby, and creation of a family restroom on the lower level. This work is tentatively planned to commence in late-November.
- All Resort and Ridge owners have access to the Resort Sports Center as well as Ridge and Lakeside Sports Centers per a joint use agreement. RECOA terminated the current Joint Use Agreement as of December 31, 2018 in order to renegotiate the agreement. Discussions are ongoing, but to date, no agreement has been made.
- Updates to the Collection Policy and Cross Control Connection Policy were approved in July 2018. As part of the Cross Connection Control policy, structures that are missing premise isolation (domestic backflow) devices are required to install them by mid-November. All affected property owners have been notified and many installations are already underway.
- The Board has discussed general parameters and assumptions for the 2019 budget, and will adopt a 2019 budget at the quarterly meeting in November.
- The 2018 audited financial reports are available on the owner website at [owners.eagle-crest.com](http://owners.eagle-crest.com).
- Capital projects for the Utility included adding an air gap separation at the Well #4 (by Eagle Lake) well head structure to allow for backflow protection at that point where the well pumps to the lake, and a submersible pump project for well #2b, which included replacing the line shaft turbine in well #2(b) with a submersible turbine, new column pipe, and new variable frequency drive. Additional projects included exterior paint of well #2 building and drainfield bed valve and pipe maintenance.
- Golf course capital projects included irrigation upgrades, various cart path overlays, club house and cart barn exterior painting, and replacement of a restroom roof (near holes 12/13). Other capital projects for the association included new pool furniture at the Redtail Hawk Pool.
- ECMA budgets for routine and ongoing ladder fuel reduction work on its common areas and understands the sub-association also have policies for their common areas

commonly managed land areas, or requirements for private properties such as the estate homesites.

## **RESORT OPERATIONS REPORT**

Debbie Hahn reported on the following resort operations activities:

- Closure of the outdoor pools during the winter months is planned to continue. The indoor pool at the Ridge Sports Center is available during these winter months.
- The weekly tie-dye and s'mores activities continues to be a popular summer activity. The return of paddleboard rentals/classes at the Resort Sports Center was very popular this summer. The operator has indicated their desire to return next year.
- In February, Northview Hotel Group sold Eagle Crest Resort to KDG Capital. Aimbridge Hospitality is the new management company for Eagle Crest Resort and the HOA/Property Services division. Our interactions with the new owners has been very positive and they are happy to be part of Eagle Crest.
- There has been a large project going on at the intersection of Falcon Crest Drive and Mountain Quail Drive for much of this year. This is a septic tank relocation project for the Hotel Association. There were several factors extending the original estimated timeframe; current estimates for completion are end of October.
- The new resort owners have confirmed their plan to continue the Starfest holiday light display this year.
- Eagle Crest Golf projects completed this year (or currently underway) include:
  - Ridge Course bunkers have been refreshed and received nearly 90 tons of tan sand
  - 1/3 of the Ridge Court cart paths will be addressed this fall, and some limited paving will occur on the Challenge Course to close up some non-asphalt areas. Cart path work will continue next year.
  - The pond on the 18th hole of the Ridge will be reconfigured and positioned more in front of the green with a higher water table for improved visibility for the golfer. It will also include the addition of a fountain which will improve aesthetics and provide a noise buffer from the pavilion and putting course. (All other ponds on the Ridge & Challenge courses with the exception of the 16th hole of the Ridge will also be receiving fountains).
  - In early 2019, fresh white sand is planned for installation at the Challenge Course bunkers.
- Remember to visit the website for updates and information about what's happening on the Resort – [owners.eagle-crest.com](http://owners.eagle-crest.com).

## **QUESTIONS & COMMENTS**

Bill opened the floor for questions and comments.

- Karla Beesley, EHOA owner, expressed her dissatisfaction that there was not a rebate sent to owners when the estate homesite owners sub-association took over management of the pool behind the gates from the master association five years ago. It was explained that any savings would have been applied to offset costs in the next budget year.
- Karla Beesley, EHOA owner, asked why there was an additional \$20,000 contribution to the Golf Course Reserve fund in 2018. Bill replied that the ECMA Board decided at their budget session last year to apply the 2017 year end facilities surplus to the fund.
- Mark Bortnem, VROA owner, asked how the ECMA Board stays informed of legislative decisions that could affect association operations. Debbie replied that the

HOA management staff belongs to the Communities Associations Institute, an international membership organization that provides information, education, and resources to homeowner associations and the professionals who support them. CAI also advocates on behalf of HOA communities and before legislatures, regulatory bodies, and the courts. The Eagle Crest Management team receives updates and education on all state and federal legislative trends, including court cases. Management communicates any pertinent information which could affect the association to the Board of Directors.

- Al Baker, VROA owner, asked whether the front pasture would be developed now that the horses are no longer pastured there. It was noted that the ECMA Board has no plans to build on the pasture, which is likely not permitted due to Destination Resort Ordinance restrictions in any case.

There were no further questions related to Association business that had not previously been addressed.

**ADJOURNMENT** There being no further business, the meeting was adjourned.

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Secretary to the Association