

BOARD POLICY – PROCEDURES AND SCHEDULES OF FINES

INTRODUCTION:

Article XI of the Restrictive Covenants of the Tides West Community Association contains procedures for enforcement of the Covenants. Article XI, Section 4 of the Covenants states as follows:

4) Fines. The Association may impose fines for violation of these covenants consistent with a schedule of fines adopted by the Board. The Board may establish procedures regarding fines and appoint members with the authority to impose fines. If a fine is imposed, a letter will be sent to the owner subject to the fine which includes the following information:

- a. The amount of the fine.
- b. The reason for the fine.
- c. A statement that the fine may be appealed to the Appeal Process (defined below) within twenty-one (21) days of the date of the Letter.
- d. A statement that, if the fine is not appealed, it will be deemed to be valid and will constitute a lien on the owner's parcel.”

Section 64.38.020 of the *Revised Code of Washington (RCW)* states that one of the powers of the Tides West Community Association is as follows:

“(11) Impose and collect charges for late payments of assessments and, after notice and an opportunity to be heard by the board of directors or by the representative designated by the board of directors and in accordance with the procedures as provided in the bylaws or rules and regulations adopted by the board of directors, levy reasonable fines in accordance with a previously established schedule adopted by the board of directors and furnished to the owners for violation of the bylaws, rules and regulations of Tides West.”

This Policy is intended to implement Section XI, Section.4 of the Covenants consistent with this provision of state law.

GENERAL FINE PROCEDURES

1. This Policy is intended to supplement the procedures in the Covenants. This Policy does not supersede the Covenants. Except in the case of an emergency as determined by the authorized personnel (as defined below) a warning letter (the “Warning Letter”) will be sent out before a fine is imposed advising the member that a fine will be imposed if the violation is not corrected, or if the violation is repeated, as the case may be, within a specified time.

2. If the Warning Letter is not complied with, or in the case of emergency as determined by the authorized personnel, the authorized personnel shall issue a fine letter (the “Fine Letter”) containing the information required by the Covenants as well as other information determined appropriate by the authorized personnel sending the Fine Letter.

3. All Warning Letters and Fine Letters will be sent as required in Section XI, Section.6 of the Covenants. The authorized personnel may, but is not required to, send a copy of any Warning Letter or Fine Letter to the member at such other address or in such other manner as the authorized personnel determines to be appropriate, but failure to do so shall not in any way affect the validity of the letter or the fine imposed. The twenty-one (21) day time period to appeal a fine will commence on the day the Fine Letter is mailed. At the conclusion of the appeal period or appeal process, whichever applies, if the violation(s) still exist, the following fines shall be imposed:

a. A fine of \$10.00 per day is assessed for each lot on which there is a violation of the Tides West covenants for thirty (30) days.

b. Commencing on the 31st day and continuing until the violation is brought into compliance with Tides West covenants, \$15.00 per day for each lot on which there is a violation.

4. Fines shall be paid by mail to the Tides West Community Association. The Tides West Treasurer shall issue a receipt for the payment of any fine.

5. A fine may be appealed consistent with the Covenants. A fine constitutes a lien on the lot or lots owned by the member under the jurisdiction of Tides West, and failure to pay a fine may result in legal action being initiated. The imposition and/or payment of a fine in no way relieve the member of the obligation to comply with the Covenants, and Tides West has the right to enforce the Covenants, in addition to the imposition and collection of fines, as established in the Covenants.

6. The Board hereby appoints the following personnel to impose fines pursuant to Section XI, Section 4 of the Covenants, which personnel shall be referred to in this Policy as the “authorized personnel”:

a. The President of the Tides West Community Association Board of Directors.

b. The Treasurer of the Tides West Community Association.

7. Warning Letters, Fine Letters and other letters authorized by this Policy may be signed by the Authorized personnel or other specifically authorized Board Member of Tides West.

8. The authorized personnel shall keep records documenting the violation and containing the Warning Letter, the Fine Letter and other correspondence and information regarding the violation, but failure to maintain such records will not invalidate any fine that is imposed.

9. The authorized personnel have discretion in the performance of authority and responsibility under this Policy and Section XI, Section 4 of the Covenants. This includes, but is not limited to, discretion regarding how to investigate an alleged violation, the frequency of investigating an alleged violation and, except as otherwise specified in the Covenants or this Policy, whether a series of related actions or inactions represents one or multiple violations.

10. In an appropriate circumstance, as determined by the President of Tides West Community Association Board of Directors, Tides West may, at any time, enter into a compliance agreement with a member regarding a Covenant violation and/or to obtain compliance with the Covenants on that member’s lot or lots. This compliance agreement may either be in written form, signed by the member and the authorized personnel, or in oral form if the substance of the agreement is contained in a letter sent by the authorized personnel to the member. This compliance agreement may include, among other things, waiving fines for violation of the Covenants if the member complies with the agreement. However, each compliance agreement must require that if it is not complied with all fines for violations as established in this Policy shall be imposed and collected.

11. In the event of any inconsistency between the provisions of Section 1 (General Fine Procedures) of this Policy and the provisions of another Section of this Policy related to fines for violations of a specific Covenant provision, the provisions in the other Sections of this Policy shall prevail with respect to violation of that Covenant provision.

FINES PERTAINING TO RV'S

1. RV fines require a written 10-day warning letter to correct the complaint. Fines will begin on the 11th day after the letter. If the violation has not been corrected within the time specified in the Warning Letter, the following fines shall be imposed:

a. A fine of \$10.00 per day is assessed for each lot with a violation of Section IX of the Covenants for thirty (30) days.

b. Commencing on the 31st day and continuing until the violation is brought into conformance with Section IX of the Covenants, \$15.00 per day for each lot containing any RV in violation of Section IX of the Covenants.

BILLING & COLLECTION OF FINES

1. All accounts which are delinquent for more than sixty (60) days from the date of the notice of a fine shall be charged a 1% service charge per month on the unpaid balance.

2. If any account is not paid in full within 180 days/six (6) months from the date of the notice of a fine, a lien may be placed on the property. All lien fees associated with the placement and removal of the lien on the property shall be paid by the property owner.