

TEAL LAKE VILLAGE ASSOCIATION RULE 8

The Teal Lake Village Association (TLVA) Compliance Policy with Fine and Fee Schedule, adopted by the TLVA Board on July 20, 2020 to address violations of the Teal Lake Village governing documents, is designated as Rule 8.

Adopted this 10 day of AUGUST 2020 by a majority of the Board of Directors.

President Shirley Twomey

Secretary J. Brandel

THE TEAL LAKE VILLAGE ASSOCIATION (TLVA)
COMPLIANCE POLICY WITH FINE & FEE SCHEDULE

In July 2016 the TLVA Board voted to “establish and adopt a fine system for non-compliance of Village rules.” This TLVA Compliance Policy with Fine and Fee Schedule is designed to govern conduct on TLVA Common Areas. It complements the South Bay Community Association’s (SBCA) Enforcement Policy which governs conduct on Homeowners’ Lots. Together these Policies govern homeowner conduct within the entirety of TLVA.

All members of TLVA are subject to the TLVA Supplemental Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements for the Plat of Teal Lake Village as recorded in Jefferson County, and any amendments thereto ("CC&Rs"), Articles of Incorporation, Bylaws and Rules, including the Design Standards of SBCA (together, the "Governing Documents"). All members of TLVA and their guests and tenants are required to comply with the Governing Documents as they may be amended from time to time. Failure to comply may result in the issuance of fines, actions to recover sums due for damages or injunctive relief, or both, maintainable by TLVA, through its Board of Directors (the "Board") against the party failing to comply. Members are responsible for ensuring their tenants and guests comply with the Governing Documents.

The Board encourages homeowners to amicably resolve issues directly, neighbor-to-neighbor however there are times, for a variety of reasons, when that is not possible. When issues cannot be resolved between Members they typically turn to the HOA Board for remedy. The Board has created this Compliance Policy to address problem resolution of neighbor issues, and the broader issues relating to our Governing Documents.

This Compliance Policy addresses TLVA Common Area only; violations that occur on a member’s lot are covered by SBCA’s Enforcement Policy with Fine & Fee Schedule. For the purposes of this policy “Common Area” means any area owned in common by TLVA residents including land in Tracts A, B, C, D, E, F, G, H, I, and J as noted on the attached Plat Amendment to Teal Lake Village (see Appendix A). Regarding any Member’s lot for which there is a registered Permissive Land Use Agreement (PLUA), please be advised that the ownership of land included in any PLUA rests with TLVA and thus is TLV Common Area; additionally, homeowners must comply with the language included in their individual PLUA.

This policy applies prospectively only. *i.e.*, to acts and conduct occurring after the date this policy was adopted.

A. Fine & Fee Schedule. Fines and fees will be imposed as follows:

1. **ARC Related Violations:** All members in TLVA are required to apply for and receive TLVA-ARC approval for any alteration to the Common Area, whether it is regarding landscaping changes (additions or removals) or alterations or removals of tree removal. No changes or deviations in the scope of work once approved shall be made without prior written approval of the TLVA-ARC.

ARC Violations	1st Notice of Violation	Notice of Failure to Correct	Continuing Violation
Failure to apply for and receive approvals prior to commencement of	Warning Letter and Member must submit a proper	\$50 Fine and Member must submit a proper application	\$50 / week Fine until proper application is submitted

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work	applications within 10 days*	within 10 days*	
Changes or deviation in the scope of work	Warning Letter and Member must submit a proper application within 10 days*	\$50 Fine for failure to cease & desist work and / or submit an updated application within 10 days*	\$50 / day Fine for continuing work prior to approval of updated application by TLVA-ARC
No application submitted, and / or actions are not allowed by the Governing Documents	Warning Letter / Cease & Desist Letter. Member must submit a proper application within 10 days *	\$100 Fine for failure to cease and desist work upon notice and / or submit an application within 10 days *	\$50 / day Fine for continuing work prior to approval of updated application by the TLVA-ARC
Violations concerning removal of tree(s) in TLVA Common Areas	\$5,000 Fine per tree		

* Or explain why more time is needed.

2. **Conduct Violations:** All members must also comply with requirements of the Governing Documents that do not require TLVA-ARC approvals, including but not limited to Pet Related issues (e.g. off leash, failure to clean up after pet, aggressive animal); Parking Issues (e.g. trucks, trailers, recreational vehicles, campers and boats); Nuisances (e.g. rubbish or debris stored on lot, loud noises, feeding wildlife).

Conduct Violations	1st Violation	2nd Violation	3rd & Subsequent Violations
As found in the Governing Documents (CC&R 10.5)	Warning	\$25 Fine	\$100 Fine

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Fines stated above are in addition to, and not in lieu of any right of TLVA to require members to remedy violations of the Governing Documents, to charge members for remedial action taken by TLVA, or any remedy available to TLVA by law.

B. Procedures for Notice of an Alleged Violation: Complaints Regarding Conduct Violations and / or Possible Governing Documents Violations. No fines will be levied until a homeowner is notified in writing of a possible Violation and provided an opportunity to be heard before the Board. When the Board receives information suggesting that there has been a Violation of the Governing Documents, the Board shall take the following actions:

1. **Notification of Investigation of Complaint:** Upon receiving a Complaint Notification, the TLVA Board will determine which Board Member or Board Designee will address the Complaint and the Board will send the involved homeowner a Notice of Investigation of Complaint which will detail the nature, description and location of the alleged Violation or concern and seek comment.
2. **Preliminary Finding / 1st Notice of Non-Compliance:** After due review by the Board a Notice of Preliminary Finding / 1st Notice of Non-Compliance letter will be sent to the homeowner. If after this preliminary review the Board finds no Violation, the letter will so state and no further action will be taken. However, if upon review the Board finds the existence of a Violation of the Governing Documents the letter will detail the nature, description and location of the Violation; the necessary corrective action to remedy the Violation; a time within which the Violation should be remedied, and the possible consequences should the Violation continue; a Request for Hearing form will accompany the mailing.
3. **Notice of Failure to Correct:** If the homeowner fails to comply with the corrective action stated in the Notice of Preliminary Finding / 1st Non-Compliance Letter, the member shall be subject to a fine as provided in the Fine and Fee Schedule above. The member will be sent a 2nd Non-Compliance letter along with a Request for Hearing form, allowing the homeowner the opportunity to be heard if they disagree that they are still in non-compliance. If the violation is corrected within 10 days from the 2nd Notice, no further action will be taken.
4. **Continuing Violation:** Failure to comply with the corrective action stated in the 2nd Non-Compliance Letter within the prescribed timeframe shall constitute a Continuing Violation and the homeowner shall be subject to additional fines as outlined in the Fine and Fee Schedule above. The Board may impose a continuing monetary fine until the infraction or Violation has been remedied.
5. **Request for Hearing:** If during the aforementioned process the homeowner submits, within fourteen (14) days of the date of the Non-Compliance Letter, a Request for Hearing, which shall provide a brief description for the reason and basis for an appeal and a list of the names of anyone attending the hearing on the homeowner's behalf. Failure to request a hearing within the time set by the Board is a waiver of the member's right to challenge the determination that a violation occurred or the imposition of a fine. Upon a showing that a member should have a longer period of time in which to request a hearing, the Board may, at its discretion, allow more time for the member to request a hearing. If the homeowner plans to have counsel attend the Hearing the Board must be notified not less than seven (7) days prior to the agreed-upon date so they may, at their discretion, have TLVA counsel present.

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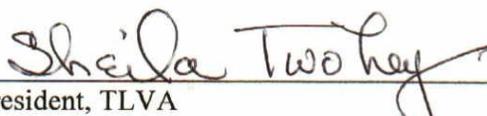
6. **Notice of Hearing:** When the Board has received a timely request for hearing, it will provide the affected member with written Notice of a Hearing before the Board regarding the violation or proposed action. The hearing shall normally be set not less than 10 nor more than 30 days of the receipt of the timely request for hearing and shall be set between the hours of 8:00 a.m. and 6:00 p.m. The Notice of Hearing shall include (a) a statement of violation, (b) the proposed action and/or fine, (c) the date, time and place of the hearing, (d) any time limits upon the presentation of evidence; and (e) whether the affected owner may offer a written statement in lieu of appearance.
7. **Continuance of Hearing.** Once a hearing has been requested and set in accordance with paragraph 6, the Board shall have discretion to allow or disallow a continuance of the hearing at the request of the member. Failure to appear at the hearing shall constitute waiver of the opportunity to be heard.
8. **Attorneys.** If the member intends to have an attorney present at the hearing, the owner must notify the Board at least seven (7) days prior to the hearing so that the Board may also have counsel present.
9. **Hearing Procedures.** The Board may decide whether the hearing will be an open or closed hearing. At the hearing, the affected member shall have a reasonable amount of time under the circumstances to present evidence and argument to the Board regarding the violation. The member may invite those who have been listed on the Request for Hearing to attend the hearing and speak on their behalf. Specific time limits may be set out in the Notice of Hearing. Additional time may be granted by the Board in its discretion. Presentation of evidence or argument shall be subject to reasonable rules of procedure determined by the Board to assure a prompt and orderly resolution of the issue. Other members or witnesses may be allowed to present evidence or argument about the alleged violation or in support of or opposition to the imposition of fines in accordance with procedures established by the Board, or at the discretion of the Board. During the Hearing public comments will generally be limited to three (3) minutes.
10. **Decision of the Board and Notice of Decision:** The Board will meet in Executive Session to make its decision on whether a violation has occurred. Once decided, the Board will send the homeowner a Notice of Decision noting their determination of whether no Violation occurred, whether they are in Violation and when appropriate, assessment of a fine as outlined in the Fine and Fee Schedule above. This letter will also note whether the homeowner may request a reconsideration of the Board decision. The Board shall endeavor to send the Notice of Decision in the same manner in which the Notice of Hearing was given, and within 21 days of the hearing. If the Board determines that it needs more time to make its decision, it will so notify the affected member(s). The Board may, at its discretion, also send a copy of the decision letter to the complaining party. Any fines imposed after a hearing shall become due on the first of the month following the Notice of Decision, unless the notice of decision states otherwise.
11. **Request for Reconsideration.** The member is not entitled to a new hearing; however, the member may request reconsideration of the Board's decision upon a showing that something has been overlooked. The member must submit a letter to the Board within 10 days of Notice of Decision, stating the reasons why reconsideration is requested. The Board will review this information and will use its best efforts to render a decision promptly.
12. **Multiple Violations prior to Hearing.** One or more violations of the Governing Documents and/or proposed fines may be combined and heard in one enforcement hearing, if convenient to the Board. Once a hearing is set for one or more alleged violations, additional alleged violations and fines

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occurring subsequent to the initial notice(s) of violations and prior to the date of the hearing may also be heard at the scheduled hearing, at the discretion of the Board

13. **Continuing Violation:** Any ongoing violations will be reviewed by the Board or its designee(s) prior to any further penalties being assessed.
 14. **Member Responsibilities:** Members are responsible for the conduct of their guests, tenants, agents, contractors and invitees. If a non-owner occupant of a lot is in violation of the Governing Documents any letter(s), or other notice(s) will be sent to the homeowner who is responsible for notifying his or her tenants or occupants, paying any fines, and taking corrective action.
- C. **No Waiver / Not Exclusive Remedy.** The foregoing shall not be deemed a waiver of any right to enforce or take any other action available under the Governing Documents or at law. The sanctions, fines, fees, interest and penalties set out herein are in addition to, and not in lieu of, other remedies or sanctions available to the Board by law or by the Governing Documents.
- D. **Fines are Assessments.** TLVA members shall be financially responsible for all fines, damages and other amounts assessed resulting from their own actions, and the actions of their tenants, guests or occupants. Fines imposed under this policy constitute assessments under the Governing Documents and may be enforced as such, including but not limited to the imposition of late fees and interest and the placement of a lien on the member's property.
- E. **Costs Incurred in Enforcement.** In addition to the sanctions set forth above, all costs incurred in enforcing the Governing Documents, including, but not limited to, attorneys' fees, interest, recording fees and other costs incurred in collecting fines or attempting to obtain compliance with the Governing Documents constitute assessments and may be collected in the manner for collection of assessments.

This Enforcement Policy with Fine and Fee Schedule was adopted by the TLVA Board by resolution dated 20 JULY 2020 and mailed, or if authorized, emailed to all owners 24 AUGUST 2020.



President, TLVA



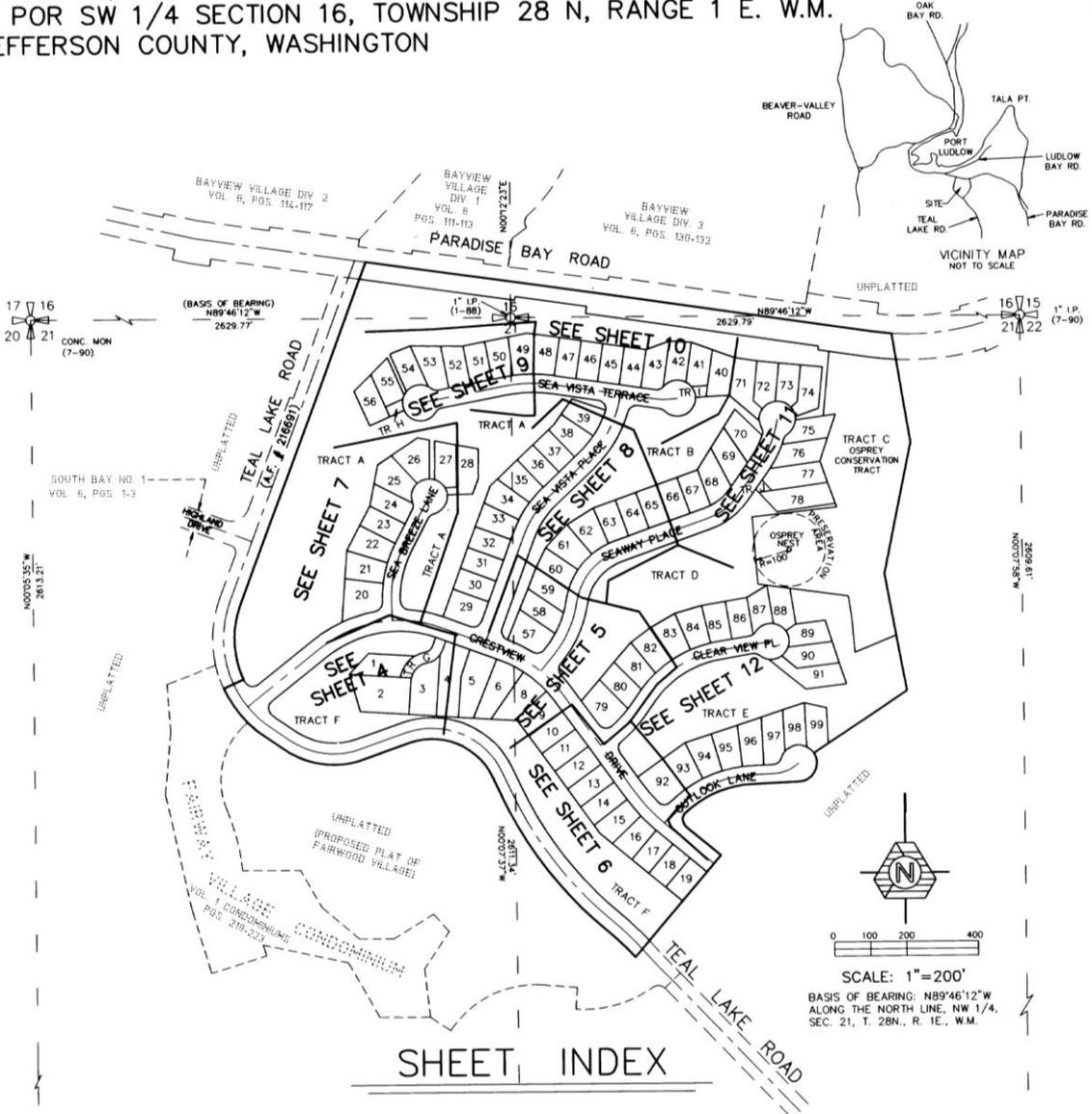
Secretary, TLVA

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Appendix: A

PLAT AMENDMENT TO
TEAL LAKE VILLAGE
POR NE 1/4 & NW 1/4 SECTION 21, TOWNSHIP 28 N, RANGE 1 E. W.M.
& POR SW 1/4 SECTION 16, TOWNSHIP 28 N, RANGE 1 E. W.M.
JEFFERSON COUNTY, WASHINGTON

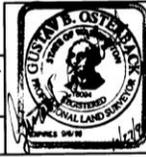
THIS PLAT IS BEING AMENDED TO:
1. REVISE LOTS 1 THRU 9, TRACTS F & G INTO LOTS 1 THRU 6, 8 & 9 AND TRACTS F & G. (SEE SHEETS 4 & 5 OF 12)
2. REVISE LOTS 38 AND 39 AND TRACT A. (SEE SHEET 8 OF 12)



SHEET INDEX

INSTRUMENTATION FOR THIS SURVEY WAS A 1 MINUTE THEODOLITE AND ELECTRONIC DISTANCE MEASURING UNIT. PROCEDURES USED IN THIS SURVEY WERE FIELD TRAVERSE, MEETING OR EXCEEDING STANDARDS SET BY WAC 332-130-090.

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TRIAD ASSOCIATES INC.
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KIRKLAND, WASH. 98034
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SHEET 3 OF 12

VOL/P/G