OPERATIONS MANUAL

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INTRODUCTION

Surfside Homeowners Association, a non-profit corporation, was established and is defined by the ARTICLES OF INCORPORATION, and is governed by the BY-LAWS of the Association.

As an extension of the two controlling documents, and to further insure the coordinated and orderly conduct of the business and management functions of the corporation, the BOARD OF TRUSTEES, under its charter has established this OPERATIONS MANUAL. It is intended to provide the Association Board of Trustees, Designated Trustees, Management Employees, and Committee Chairpersons appointed by the Board of Trustees a vehicle through which to understand Association policies and procedures further delineated by action of the Board.

This OPERATION MANUAL identifies and describes all positions and work functions required to establish daily and long-range operations for the Association.

The MANUAL is divided into the following sections:

1. Board Policies
2. Position Descriptions
3. Committee Charters
4. Operating Procedures
5. Appendices (Employee Manual/RCW – Title 63)

NOTE:
The Surfside Operations Manual (Policies and Procedures) was revised in its entirety and all changes and additions were approved and adopted by the Surfside Board of Trustees on March 16, 2013. All changes that have occurred over time are identified in the "Summary of Operations Manual Changes included as part of this document.

OPERATIONS MANUAL UPDATING, DISTRIBUTION, AND HANDLING PROCEDURE

The procedure for up-dating, distributing and handling of this manual shall follow this process:

1. When the Board of Trustees amends any of the policies or procedures delineated in this manual by Board motion, the Business Manager shall prepare the change for review by the Board Secretary.

2. The Board Secretary will then check the meeting minutes to verify the change/changes to be made. When the Board Secretary is confident that the change/changes are as made by the full Board, the Board Secretary shall certify the change.

3. The Business Manager will then change the computerized file and print new page/pages of the particular section involved. On the changed page/pages, the date of the revision and the Board vote shall be footnoted. Copies of the new page/pages will then be distributed to all Operation Manual holders. A list of these manual holders shall be kept current in the Association office. In addition, in June of each year, the Business Manager shall collect the Operations Manuals from all Board members, and review and update them, for redistribution in August.

4. Copies of this Operations Manual shall be made available in hard copy or electronic format for the general membership for a charge of $25.00. Members who buy a manual will have the option to receive the up-dates at a charge of $1.00 per page plus postage, if applicable. This charge will be payable before the copies are sent to the manual holders. To this end a list of all members who purchase an Operation Manual shall be kept in the office. A copy of the current Operations Manual is also available online through the Surfside Website.

5. A copy of this Operations Manual shall be kept at the business office counter and shall be made available for members in good standing to review. Copies of individual pages or sections shall be made available at a fee charged for copying and the labor involved. This charge shall be as provided for in the Board Policy on Association Service Fees.

BOARD POLICY

ANNUAL MAINTENANCE PLAN
LAND/BUILDINGS/FACILITIES

1. **ALL SURFSIDE OWNED BUILDINGS, LANDS, AND FACILITIES SHALL BE INSPECTED BY THE WATER/FIELD SERVICES DEPARTMENT STAFF ANNUALLY UNDER THE FOLLOWING CRITERIA**:

   A. Recommendations for repair or replacement will be reported to the Surfside Business Manager for disposition.
   B. These inspections will be done by the members of the Land & Building Committee, or by others as assigned by the Business Manager.
   C. An Inspection Log shall be maintained listing the date and time of all maintenance and repairs or replacements to be done, completed or scheduled. The following information shall be included in the log:
      - What staff person performed the work.
      - Actual man hours required to complete the work.
      - All costs associated with work. (Materials, parts, etc.)
      - Anticipated start date and projected completion date.
      - If the work is to be contracted out, the name of the business or individual doing the work shall be included along with expected timelines and costs to complete all work designated.

2. **CABANA & CABANA GROUNDS**

   - Grass will be mowed as needed.
   - Fertilizer will be applied as scheduled.
   - All grounds shall be maintained.
   - Restrooms will be clean and have adequate supplies.
   - Sani-cans will be serviced on a regular schedule.
   - All cabana lawn areas shall be watered as needed. Landscape berms shall be maintained, clear of weeds and bark spread to avoid bare spots.
   - Garbage will be removed on a regular schedule.
   - Cabana barbeques will be clean and removed for winter storage.
   - Perform other tasks as directed by the Water/Field Services Superintendent and/or Business Manager.

3. **PEDESTRIAN BRIDGES**

   - All pedestrian bridges shall be inspected each spring by Surfside

Water/Field Services staff. A Washington State Licensed Engineer shall perform an inspection every five (5) years) and provide a report to the Business Manager.

- Compacted gravel walkway and bridge approach trails shall be level and re-compacted each spring or more often as needed.
- All gravel walkways to bridges shall be maintained weed free.
- Signs identifying the bridges shall be maintained.
- All vegetation under and by bridges will be kept trimmed.
- Any graffiti shall immediately be removed.
- All areas around the bridges and Surfside grounds shall be clear of any debris paper, trash, etc.
- Other maintenance as requested by the Water/Field Services Superintendent and/or Business Manager.

4. **COMMON GROUNDS** (Included platted beach walkway easements)

All grounds and land will be compliant with all surfside covenants.

- Grass pedestrian walkways will be mowed within the platted easement boundary.
- Trees will comply with tree height limits.
- Signs will be maintained (straight, etc.)
- Safety hazards will be corrected or removed.
- Other maintenance needs as directed by the Water/Field Services Superintendent and/or Business Manager.

5. **BUILDINGS**

SAFETY IS THE FIRST PRIORITY

- All fire extinguishers maintained and inspected annually.
- First aid kits shall be provided in all buildings and maintained as needed.
- Any identified hazards shall be corrected or removed immediately.
- Safety practices shall be implemented, specifically to prevent or address hazardous spills, accidents, etc.

Building maintenance, (2nd priority)

- Make all repairs identified in annual Inspection Reports.
- Make any repairs identified from repair “memo’s
- Buildings shall be maintained neat and clean inside and out.
- Maintain an annual Maintenance Log as stated in #1-C above.
- Perform any other repairs, replacement or removals as directed by the Water/Field Services Superintendent and/or Business Manager.

BOARD POLICY

ASSOCIATION SERVICE FEES

1. Residential Water Service Hook Up and associated water distribution services within Surfside Homeowners Association Designated Water Service Area.

   1.1 For platted areas of Surfside Estates, Ocean Woods, Ocean Crest and Sunny Slopes, the following fees will be assessed and shall be paid in advance of any work done:

   1.1.1. New water service $1,150.00

   1.1.2 Surfside Homeowners Association will provide water service only to properties within the Surfside Designated Water Service Area, as defined in the current Washington State Department of Health approved Surfside Homeowners Association 6-Year Water System Plan.

   1.2 For areas other than Paragraph 1.1 above, are as follows:

   1.2.1 Developmental Fee, Reserve for additional wells, pumps, pump houses, water distribution and/or storage facilities, etc. required to supply the increased demands produced by expanded service where a water main exists. $ 1,200.00

   1.2.2 Water Hook Up Fee $ 1,150.00

   1.3 Other Fees/Charges

   1.3.1 Owner Request for Water Shut Off or Turn on (per request) $25.00

   1.3.2 Repair costs of damage to water facilities Caused by contractor, owner or others Time & Materials

   1.3.4 Water service removal or relocation $600.00

   1.4 Exceptions to Paragraphs 1.1 and 1.2 above are as follows:

   1.4.1 Any lot that has never been subject to Surfside Homeowners Association lot assessment fees and charges must pay full development fee.

   1.4.2 Beach Addition - By individual contracts only,

2. Water Main Extensions:

   2.1 The Surfside Homeowners Association may deem it necessary to extend and/or increase the size of a water main(s) in order to adequately provide water service to a lot or sub-division.

   2.2 All costs, including ancillary costs such as engineering, permits, review fees, and road restoration, of a water main extension and/or increase in size will be paid for by the lot owner or developer. Proof of payment will be demonstrated to Surfside Homeowners Association's satisfaction prior to

acceptance of water main extension by Surfside Homeowners Association.

2.3 All planned water main extensions installed must meet Homeowners Association design and material standards as defined in the current Surfside Homeowners Association Water System Plan. Before construction can begin, Surfside Homeowners Association's engineer must approve the plan. The land owner or developer will pay all costs incurred by Surfside Homeowners Association's Engineer.

2.4 Ownership of any water main extension will revert to Surfside Homeowners Association once it has passed the Surfside Homeowners Association inspection including verification of construction in accordance with the design and the following tests; Bacteriological, Pressure, and Flow tests. Installer of the water main will pay for the cost of the tests.

3. Water service removal, relocation or other related water-distribution work orders.

3.1 All requests for water service, relocation of water service or installation of new or non-functioning water boxes (or meters) must be submitted, in writing to the Surfside Business Office. All requests will be reviewed for appropriateness, determine cost and schedule work. All costs for the work to be performed will be paid to Surfside Homeowners Association by the property owner.

The fees for individually requested services are described in Sections 1.2 and 1.3 above.

4. Commercial Water Hook Up:

4.1 The cost of each water hook up will be determined by Surfside Homeowners Association based on parts and labor required to install a metered service at the property to be served. Surfside Homeowners Association will determine, at their discretion, the size, type, make and model of all equipment needed to install the metered service.

5. Commercial Water Service Charges:

5.1 Commercial water rates, meter fees, and conditions of service will be set by individual Service Agreements and will be metered

5.2 Charges for water:

5.2.1 Charges will be described in the Service Agreement.

5.2.2 Water rates and meter fees and conditions of service will be reviewed annually. (January 1)

5.2.3 Meters will be read monthly and billed as provided in the contract.

5.3 Delinquent Accounts:

5.3.1 Water service for customers with delinquent accounts may be terminated through action taken by the Surfside

Homeowners Association's Board of Trustees upon certified receipt of notice of ninety-day delinquency of the account from the Association office. This provision will be stated in each water service contract.

6. Copy Machine Costs: (Members Only)

Black & White	- $ 0.10/copy
Color copies	- $ 0.75/copy
Multiple copies of multiple pages	- $ 0.10/copy plus labor

6.1 Labor for multiple copies or large projects will be charged at a rate of one/half (1/2) hour increments and will be based on employee prevailing rate of pay.

6.2 All copying will be done by office personnel.

6.3 All copying charges will be paid in advance. Telephone requests will not be accepted.

6.4 A membership list may be provided to a member on paper, computer disk, or via email for a charge of $10, provided that an application and agreement are filled out and signed by the member. Such information shall not be used for commercial purposes. See also the Board Policy on Association Documents, Section 3.

7. Fax Charges:

7.1 Local Faxes - No charge

7.2 Faxes within the United States:

One page -	$2.00
Additional pages-	$1.00 each

7.3 No International faxes, either incoming or outgoing, are allowed.

7.4 No charge for incoming faxes within the United States.

BOARD POLICY

BUDGET

Fiscal responsibility for the Association funds is maintained thru adherence to the Annual Operating Budget. The Annual Budget expresses the Association's allowable

expenditures for operations, capital investments, reserves, etc., and is the basis for the determination of annual membership fees and assessments.

1. The Association Fiscal Year shall run from January 1 thru December 31.
2. The amount of annual membership dues and lot assessments shall be determined from the total budget for operating expenses and capital expenditures.
3. The Budget Committee shall develop and prepare an annual budget in accordance with Operating Procedure #103.
4. The Budget Committee Chairperson shall be the Board Treasurer.
5. The Accountant/Bookkeeper Business Manager, Water Superintendent shall be regular members of the Budget Committee.
6. The Budget Committee shall be responsible only to the Board of Trustees, but will have complete autonomy in the development of the Annual Operating Budget.

NOTE: See Operating Procedure #103 for budget expenditure rules and restrictions.

BOARD POLICY
BUSINESS PRACTICES AND CONTROLS

1. Telephone:
   - 1.1 No telephone credit cards will be authorized or issued.
   - 1.2 Authorized phone calls made away from the Association business office will be reimbursed by the Association provided a copy of the phone bill is submitted when requesting payment.
   - 1.3 Managers shall control the use of Association telephone toll calls. A log of toll calls shall be maintained.

2. Property and Equipment:
   - 2.1 Equipment, vehicles or tools belonging to the Association shall not be loaned out or rented to any Association member.
   - 2.2 Association equipment, vehicles and/or tools shall be operated by authorized Association employees only.
   - 2.3 Property (buildings, cabanas, common areas) will be loaned or rented to Association Members only per office procedures.
   - 2.4 No Surfside owned vehicle, equipment or tools shall be used by any Surfside employee or member for personal use on or off Surfside property.
   - 2.5 Any vehicle, equipment or tools to be used by Surfside, which are not owned by Surfside, shall require a written agreement between Surfside and the owner of said vehicle, equipment or tools prior to any use.
   - 2.6 Equipment, vehicles or tools belonging to the Association shall not be loaned or rented out to other entities unless a written agreement between Surfside and the specific entity has been implemented for the proposed use. This agreement shall include any costs associated with the proposed use as well as timeframe for use.

3. Reimbursement:
   - 3.1 Except where Board authorization is obtained, the Association shall not reimburse for entertainment expenses. (Food, Cocktails, etc.)
   - 3.2 Reimbursement for per diem and mileage shall not be considered compensation as referred to in Article IV, Sect. 6, of By-Laws.
   - 3.3 Mileage:
     - 3.3.1 Reimbursement for mileage shall not be paid unless a completed "Request for Reimbursement" form is presented to the business office. All requested information must be filled in on the form.
     - 3.3.2 Only authorized travel is reimbursable.
     - 3.3.3 Authorized mileage shall be figured from the Association office to the point of destination and returning using the most direct route. Bridge tolls are reimbursable when an integral part of the route traveled.
     - 3.3.4 Employee "Request for Reimbursement" must be approved by the appropriate manager and/or Trustee prior to submittal for payment.

3.3.5 Mileage shall be paid at the rate allowed by the US Internal Revenue Service, or as approved or amended by the Board of Trustees.

3.3.6 No mileage shall be paid when Association vehicles are used.

3.3.7 Employees required to use their personal vehicles in the performance of their duties shall be reimbursed for miles traveled based on the IRS rate. Travel to and from home is not reimbursable.

3.4 Per Diem Expense:

3.4.1 Per Diem Expense must be authorized in advance by the Business Manager, Water Superintendent, Board Treasurer or Board President.

BOARD POLICY

COMMITTEES

Standing Committees are required by the Board of Trustees to extend its capabilities to deal with the many facets of the Surfside Homeowners business. In addition, from time to time, Temporary and/or Special committees will be required and appointed to handle specific problems and situations.

1. Standing Committees:
   - 1.1 Standing Committees serving the Board shall be:
     - 1.1.1 Architectural Committee
     - 1.1.2 Executive Committee
     - 1.1.3 Tree, Brush, Vegetation, & Noxious Weed Sub-Committee
     - 1.1.4 RV Committee
     - 1.1.5 Emergency Management Committee
     - 1.1.6 Lands and Buildings Committee
     - 1.1.7 Community Relations Committee
     - 1.1.8 Audit Committee
     - 1.1.9 Water/Field Services Committee
   - 1.2 The term of office for Standing Committee Chairpersons shall be one year. Committee chairperson shall be appointed/reappointed at the August monthly Board Meeting each year.
   - 1.3 The Board President shall appoint or remove the Chairperson of each Committee with Board approval. The chairperson shall, in turn, select or remove, with Board approval and/or confirmation, the additional members of their committee.
     - 1.3.1 A roster of all committee members shall be provided to the Board Secretary, by the Chairperson.
   - 1.4 Committees shall consist of as many persons as the Chairperson deems necessary to accomplish their assignment, consistent with the Committee Charter.
   - 1.5 Monthly reports at the Board Meetings will be prepared, submitted and presented by the Committee Chairperson as required by the Board.
   - 1.6 The Board may assign one of its members to a committee as a Designated Trustee who shall be a full member of that committee.
   - 1.7 Each Committee shall have a charter (see Committee Charter section) under which it shall operate. The charter shall set forth the scope of operation and its duties and responsibilities.
   - 1.8 A majority of the members of a committee must be present in order to take action as representing the consensus of the committee. Exceptions are specifically stated in Committee Charters.

2. Temporary/Special Assignment Committees:

2.1 Temporary/Special Assignment Committees shall have an active life at the discretion of the Board of Trustees.

2.2 The Board shall appoint the Chairperson of each committee. The Chairperson shall, in turn, select, with Board approval and / or confirmation, the additional members of their committee.

2.2.1 A roster of committee members shall be provided to the Board Secretary by the Chairperson.

2.3 The following Committees have been designated as Temporary/Special Assignment Committees and will be reviewed annually by the Board of Trustees:

2.3.1 Budget Committee
2.3.2 Nomination Committee
2.3.3 Elections Committee
2.3.4 Fishing Derby Committee
2.3.5 Activities - Special/Social Committee
2.3.6 Registration (Annual/Special Meetings) Committee
2.3.7 Fish & Waterway Management Committee
2.3.8 Insurance Committee
2.3.9 Policy & Procedures Committee
2.3.10 Investment Committee
2.3.11 Water System Planning Committee

2.4 Each Temporary/Special Assignment Committee will be covered by a charter which will define its specific operating scope.

2.5 The Board Secretary will maintain a current list of all Temporary/Special Assignment Committees and their members.

3. Qualifications for Appointment

3.1 All appointees to a Standing or Temporary/Special Assignment committee must be and maintain themselves as a member in good standing of Surfside Homeowners Association.

BOARD POLICY

COMPLAINTS

Complaints from Association members shall be responded to within fifteen (15) working days and resolved to the extent possible for the ultimate benefit of the Association membership. Complaints shall remain confidential.

1. The Association shall only consider written and signed complaints.
   - 1.1 A complaint form shall be available at the Association office counter for this purpose.
   - 1.2 Signed complaints received by mail shall also be honored.
   - 1.3 No telephone complaints shall be taken or acted upon.

2. Properly completed complaints shall be received and recorded by the business office, and then forwarded to the proper authority for action. (See NOTE below)

3. The covenant compliance designee shall investigate and try to resolve all assigned complaints in a timely manner. Complaints not resolved shall be transferred to the Business Manager for final resolution. If resolution by Business Manager cannot be attained, then the matter shall be referred to the Board of Trustees.

4. Answering Complaints:
   - 4.1 Complaints which can be resolved by adhering to the Articles of Incorporation, By-Laws, Covenants, and policies and guidelines provided for in the Surfside Operations Manual, shall be answered by an approval letter, over the signature of the covenant compliance designee and/or Business Manager.
   - 4.2 Complaints which are more complex and which require some type of Board action, shall be referred to the Board of Trustees.

NOTE*:* Distribution of signed complaint forms:

- Water/Field Operations related problems: Water/Field Services Superintendent
- Building, structure, height violation, set-backs, etc: covenant compliance designee
- Tree/Vegetation Height: covenant compliance designee
- Security: Sheriff Patrol Officer
- Recreational Vehicle/RV Compliance: covenant compliance designee and Water/Field Services Superintendent
- Grievance Committee: Covenant compliance designee

BOARD POLICY

CONFLICT OF INTEREST

DEFINITION:
Conflict of Interest: A conflict between the private interests and the official responsibilities of a person in a position of trust. (Merriam-Webster's Dictionary).

1. Conflicts of interest involving or affecting the Association shall be avoided.
   - 1.1 Employees, Trustees, and Committee members shall identify any instance In which a conflict of interest exists, or may be perceived as existing.
   - 1.2 Employees, Trustees, Committee, and Association members, shall withdraw, or recues themselves, from active participation in any activity they deem themselves in conflict with the Association and/or resign from further participation in this activity.
   - 1.3 The Board may adopt policies and guidelines for determining actions to be taken to prevent and resolve conflicts of interest

2. If a conflict of interest becomes apparent to the Board of Trustees, immediate action shall be instituted by the Board to resolve the conflict.
   - 2.1 The Board President shall appoint a trustee, other than himself/herself, to review the conflict complaint.
     - 2.1.1 Appointed Trustee will select two (2) other Association members, who are not present or past Board members, to serve on the review panel.
     - 2.1.2 In the case of a conflict complaint against an employee, the designated Trustee for said employee shall not be a member of the review panel.
   - 2.2 All conflict of interest complaints shall be handled in a confidential manner by the review panel.
     - 2.2.1 Conflict of interest complaints shall be handled in a timely but thorough manner.
     - 2.2.2 Report of the review panel findings, after a review by legal counsel, shall be presented to the full Board of Trustees, in a closed meeting, for discussion and final action.
     - 2.2.3 A finding of a TRUE conflict of interest by a two-thirds (2/3) majority of the full Board shall result in:
       - 2.2.3. a The immediate termination of the employee.
       - 2.2.3. b The automatic call for the resignation of the Board Member or Committee person.

BOARD POLICY

CONTROL OF ASSOCIATION DOCUMENTS

Surfside Homeowners is a membership Association and, as such, all members have a vested interest in the affairs pertaining to the association. Certain policies have been established for the control of Association documents and information.

1. Surfside Homeowners Association shall keep at its registered office the following:
   - 1.1 Current Articles of Incorporation and By-laws, Restrictive Covenants and Policy and Procedures (Operations) Manual;
   - 1.2 A record of members, including names, addresses, and class of membership, if any;
   - 1.3 Correct and adequate records of accounts and finances;
   - 1.4 A record of officers' and directors' names and addresses;
   - 1.5 Minutes of the proceedings of the members, if any, the board, and any minutes which may be maintained by committees of the board. Records may be written, or electronic if capable of being converted to writing.

     The records shall be open during normal office hours for inspection by any member in good standing.

     Cost of inspecting or copying shall be borne by such member except for costs for copies of articles or bylaws. Any such member must have a purpose for inspection reasonably related to membership interests. (Any request for inspection of records and/or copies of documents or membership lists, must be submitted in writing) Commercial use or sale of membership lists by such member if obtained by inspection is prohibited.

     The superior court of the corporation's or such member's residence may order inspection and may appoint independent inspectors. Such member shall pay inspection costs unless the court orders otherwise.

NOTE: **THE FOREGOING SECTION IS TAKEN FROM RCW'S OF THE STATE OF WASHINGTON "24.03.135, RECORDS", WITH HIGHLIGHTED ADDITIONS**

2. READING FILE: A reading file shall be maintained of copies of approved and signed minutes and including all attachments. This reading file will be available during regular business/office hours, except on board meeting days.
   - 2.1 Copies of approved and signed minutes, financial statements, and approved budgets shall be available to all members in good standing.
     - 2.1.1 Incidental costs of providing requested copies shall be borne by the requesting member, and shall be paid for in advance.
   - 2.2 Requests for copies must be made in person and in written form. Telephone orders will not be accepted.

3. Copies of owner's mailing list shall be available in the Association office upon written request. (See section 1.2 above) Cost of copying the master list shall be borne by the requesting member. The Board may establish reasonable requirements on the use of such mailing lists to protect member privacy.

4. No original Association record or tape recording of any Board of Trustee meeting, and/or general membership meeting shall be removed from the Association office except by Court Order.

5. Board of Trustee meetings shall be taped by the Secretary to the Board (for the purpose of insuring accuracy of Board meeting minutes). Such tapes shall be maintained at the Association office.

7. Correspondence shall not be copied except for administration use within the Association, but may be reviewed by members in good standing in the Association office by arrangement with the Board Secretary or Treasurer.

8. Single copies of division maps shall be furnished at no charge to members. Requests for maps, or multiple copies of documents, shall be charged at 25 cents per copy. Such copies shall be stamped so as to relieve Surfside Homeowners Association of any responsibility as to the accuracy of such maps.

BOARD POLICY

CONTROL OF ASSOCIATION FUNDS

1. Budget Items:
   - 1.1 The Business Manager and Water Superintendent are authorized to approve budgeted items up to a limit of $1,000.00 per item, but not successive $1,000.00 expenditures for the same item.
   - 1.2 Upon availability of funds, items from budgeted assessments may be purchased prior to the completion of assessment collections.
   - 1.3 The Board has authorized the expensing of items of $500 or less, rather than capitalizing them.

2. Fees and Assessments:
   - 2.1 Property owners shall be billed on January 1st of each year. The amount of assessment to be billed shall depend on the budget for the current year.
   - 2.2 Fees and assessments become delinquent on March 1st of each year. Interest at the rate of 1% per month shall be charged after that date.
   - 2.3 Accounts still delinquent as of May 1st of each year shall be subject to the filing of a Lien against the property. The office shall charge a $75.00 fee per lot for each lien filed; a $75.00 per lot fee shall be charged to remove said lien, along with any and all applicable legal fees as stated in "Operating Procedure #102".

3. Miscellaneous Billings:
   - 3.1 Charges for services performed; i.e., repairs to broken water lines, water hook-ups, trenching, water shut-off, see Association Service Fees.
   - 3.2 Charges for all commercial water shall be billed as provided for in each Commercial Water Service Contract.
   - 3.3. N.S.F. Checks: 4.1 A $25.00 service charge shall be placed on all accounts for any and all N.S.F. check returned to the Association.

4. Payment of Bills:
   - 4.1 The Board shall select and maintain a list of Board members who are authorized to sign checks.
   - 4.2 All checks written against SURFSIDE accounts shall bear two (2) authorized signatures.
   - 4.3 The Financial Administrator shall be authorized to pay all routine accounts and shall refer to the Board only those accounts requiring Board action. (All expenditures from reserve/capital improvement accounts will be so noted in the minutes of Board of Trustee Meetings) A report of all checks written between monthly board meetings shall be furnished to the full Board for their information.

5. Petty Cash:

5.1 A petty cash fund not to exceed $200.00 shall be established and maintained for office use. Responsibility and accountability for this shall rest with the Accountant/Bookkeeper.

6. Purchase Orders: The following procedures shall apply to all Board members, staff and Surfside Committees as appointed by the Board of Trustees.

6.1 Purchase order forms shall be used for all purchases over $500.00 and shall be obtained prior to ordering of merchandise. This does not include those purchases obtained through an open purchase order currently in place at established businesses.

6.2 The Accountant/Bookkeeper, and the Water Superintendent are authorized to approve purchase orders up to a limit of $1,000.00 on budgeted items, without Business Manager or Board approval. However; in no case shall the authorized signer approve their own Purchase Order. Successive $1,000.00 expenditures for the same item are not authorized unless prior approval from the Business Manager, Water Superintendent or Board is obtained.

6.3 The Business Manager or Water Superintendent shall review all Purchase Orders over $1,000.00 submitted by the Accountant/Bookkeeper and/or the Water /Field Services Manager prior to Purchase Order approval and expenditure. In the absence of the Business Manager either the Accountant/Bookkeeper or Water/Field Services Manager shall review and approve.

6.4 These policies and procedures shall apply to any special projects budgets created as a result of membership approved special fees and assessments.

6.5 Emergency Clause. Expenditures exceeding $500.00 that are needed in the event of an emergency that relates to life, health and safety will be allowed without prior approval; However, a Purchase Order shall be obtained through the established procedures as soon as possible following resolution of the emergency.

7.0 Contracts/Services

Contracts issued by the Association, other than for contracted buildings or repairs, will be handled in the following manner:

Preparation of bid request information and requests for bid will be conducted by the benefiting operation or activity (Water Superintendent Accountant/Bookkeeper or Business Manager.)

7.1. All proposed purchases exceeding $3,000.00 for products, equipment or services shall require three written quotes If possible Purchases exceeding $20,000.00 shall require multiple written competitive bids.

7.2 A Request for Proposal shall be prepared and mailed to the vendor list on file at the Surfside Business Office and notice placed in the Chinook Observer, Daily Astorian and other publications as deemed appropriate.

7.3 Bids will include all appropriate taxes, freight charges, travel charges, training charges, etc. which bear on product or service being provided.

7.4 Bid acceptance is subject to Board approval.

7.5 All contracts will be approved by the Board of Trustees and signed by the Board President.

NOTE: Requesting operation shall keep a record of all parties contacted to bid, whether bid is received or not. Preference shall be given to local businesses provided the bid does not exceed 2% of the competitive bid prices submitted by others.

8. Construction Contracts

All work possible will be done by Association employees. However, work which requires skills and/or equipment beyond Association employees' capabilities or capacities shall be handled on a contract basis by licensed, insured and bonded contractors.

Note: Preference will be given to local businesses provided the bid does not exceed 2% of the competitive bid prices submitted by others.

8.1 Preparation of bid request specifications and request for bid documents will be initiated by the benefiting operation or activity (Water Superintendent Accountant/Bookkeeper, or Business Manager.
Inter-operational coordination will be conducted to prevent duplication of bid and contract awards.

8.2 All construction projects, with an estimated value exceeding $3,000.00 shall require three (3) written price quotes If possible. Construction projects exceeding an estimated value of $20,000.00 shall require multiple written competitive bids.

8.3 A Request for Proposal shall be prepared and mailed to the vendor list on file at the Surfside Business Office and notice placed in the Chinook Observer, Daily Astorian and other publications as deemed appropriate.

8.4 Contractors shall be licensed, insured and bonded.

8.5 All requests for bid will be advertised at least twenty-one (21) days prior to bid closing date. However, in the event of an emergency, the 21 day bid

advertisement timeline may be reduced following review and approval by the Business Manager.

8.6 A complete list of bids for let shall be posted in the Surfside Homeowners Association office.

8.7 Bids shall include all applicable taxes, permit fees and freight charges.

8.8 Bids shall include terms of payment.

8.9 Contract bid requests will be processed per the following:

- Board of Trustees may waive the multiple bid requirements, on a case by case basis.
- All bids received on a contract, successful or not, shall be filed with the original request for bid document.
- All bid openings shall be made by the appropriate Designated Trustee and the department manager.
- Bid awards shall be approved by a vote of the Board of Trustees.
- All contracts awarded shall be signed by the Board President.
- One designated board member Water Superintendent and the Business Manager shall review the completed project before final payment is made.

9. <u>Open Account Purchase System Process</u>

For all purchases of less than $500.00 (with approval of the immediate supervisor, employees shall use the Surfside Homeowners Association Open Account Purchase System.

<u>Open Account Purchase System Process</u>:

9.1 The Business Manager, Water Superintendent and Accountant/Bookkeeper shall review all vendors to Surfside on an annual basis. All current vendor accounts will remain open unless canceled. A list of authorized vendors will be provided to all employees who are authorized to make purchases for Surfside each year and likewise a list of Surfside employees authorized to sign for goods and services shall be provided to approved vendors.

9.2 If an employee wishes to purchase from a vendor that is not on the authorized vendor list, the employee shall secure an account application form from the vendor and submit it to the Business Manager or Water Superintendent through the Accountant/Bookkeeper for processing Vendors may be added to the approved vendor list if:

a. The vendor provides goods or services that are not available from other Surfside vendors, or;
b. The vendor's prices are lower than those charged by other approved vendors for goods and services, or;

c. The vendor's quality of goods or services differs from the quality of those provided by other Surfside vendors, or;
d. The vendor provided goods or services of comparable price and quality but are located in Pacific County.

If a vendor is added to the vendor list, an updated list will be provided to all employees authorized to make purchases for Surfside.

9.3 Employees are authorized to make purchases of goods and services that are both ordinary and necessary for Surfside business provided the cost is less than $500.00.Generally, authorized purchases include those items needed to perform the work assigned to that department, i.e. supplies for the office, hardware or small tools for the Water Department.

9.4 An employee will purchase the goods or services by signing the invoice or other document provided by the vendor at the time the transaction is completed. No signature should be provided until the goods or services are provided to Surfside.

9.5 When the items are received, the receiving copy of the bill, the packing slip, or other receiving document is sent by the person receiving the items to the Accountant/Bookkeeper.

9.6 All invoices are to be sent directly by the vendors to the Accountant/Bookkeeper who matches the invoices with the receiving documents and assigns proper budget coding. All vendors will receive periodic notice that all invoices must be sent to the Surfside Accountant/Bookkeeper for payment.

9.7 The Business Manager or Water Superintendent will set appropriate purchase authority limits, transaction limits and business type restrictions as deemed necessary by the person responsible for the department. General limits will also be set.

9.8 As invoices with appropriate authority are received by Surfside, the Accountant/Bookkeeper will enter the invoice in the Surfside Accounting System. If an invoice needs additional approval, that approval is obtained before entering the transaction into the system.

9.9 The Surfside Accountant/Bookkeeper will prepare checks to pay all invoices properly submitted. Checks will not be issued without invoice describing purchase transaction.

9.10 The list of approved checks will be reviewed, together with appropriate backup material by the Business Manager. Upon approval, the list and checks will be reviewed and signed by two Board members. All signed checks will then be returned to the Accountant/Bookkeeper for processing and dispersal.

9.11 All unauthorized or unapproved expenditures will be noted by the Accountant/Bookkeeper and reported to the Business Manager or Water Superintendent... Continued practice may result in his or her purchase authority revoked.

10.0 <u>Proposed Budget Items exceeding 20% of Annual Budget</u>

10.1 Prior to a Board decision on a capital expenditure project exceeding 20% of the current operating budget, the Board shall hold a hearing to take comments from members regarding anticipated expenditures. The announcement of this hearing shall be made at least 14 days in advance of the hearing by posting at the Surfside office or through regular Surfside publications. These provisions may be waived by the Board in the case of an emergency.

BOARD POLICY

PURPOSE AND PROCEDURES FOR USE OF CONTINGENCY FUNDS

Overview: Contingency funds are funds set aside each year in the budget process with the intention of:

- Allowing for unexpected expenditures to address issues and programs that Arise that are so significant to fulfilling the mission of Surfside Homeowners Association that they must be undertaken.
- Providing departments with funding for non-essential, peripheral projects that are not included in their budgets.

By setting these funds aside during the budget process for use in the upcoming fiscal year, Surfside will not have to cut previously approved, non-essential projects or purchases and will be better able to manage its overall budget.

The establishment and use of the contingency fund supports good fiscal management of Surfside through planned revenue growth and proper expenditure controls.

Purpose of a Contingency Fund:
Surfside departments and committees are asked to submit budgets that look into the future 6-18 months. Because of increasing changes in technology and State/County mandate, the economy and other factors, it is impossible to accurately predict all needs over that time span. The contingency fund is to be used as a back-up for changing needs over each budget cycle.

The budget process is involved and time consuming and is also the only opportunity for budget projects they should be undertaken throughout the year. With only one chance at funding, all proposed projects and expenditures need to be submitted. The contingency fund allows to more carefully martial efforts on the most effective and engaging projects while allowing for funding of future projects that are not part of the original budget request.

Procedures for accessing funds:
The request for use of contingency funds shall first be reviewed by the Business Manager, or Water Superintendent and Board Treasurer with final approval of the expenditure by the Surfside Board of Trustees. Requests shall be made in writing and shall provide a detailed explanation of the funding, including specifics on the project

scope of work, material/equipment needed, reasons for the specific equipment/material and actual costs as determined through quotes from providers, consultants or manufacturers. The Surfside accountant/bookkeeper shall verify funds available for the expenditure.

The Business Manager, or Water Superintendent and the Board Treasurer shall review the proposal for expenditure of contingency funds and determine that all required information is included and shall have a minimum of 10 days to complete review of the proposal before submitting to the Board for consideration. If the proposal is deemed complete, the request will then be submitted to the Board of Trustees for action through a motion and vote for approval by the Board at the next available regular monthly Board meeting. The presentation and request for contingency funds shall be part of the Treasurers report at the Regular Board meeting and included in the Board minutes with actions taken.

The person/department submitting the expenditure of contingency funds shall be notified of the Board decision in writing by the Business Manager.

BOARD POLICY

CORRESPONDENCE

1. The Business Manager is charged with the responsibility for the control of all correspondence. (Incoming and Outgoing)

2. Copies of all incoming correspondence shall be retained on file in the Surfside Homeowners Association Office.
   - 2.1 All incoming correspondence shall be date stamped upon receipt.
   - 2.2 Original correspondence addressed to an individual Board Member shall be placed in the individual's office box.
   - 2.3 No original correspondence addressed to Surfside Homeowners Association shall be removed from the Association office.
   - 2.4 Copies of all relevant correspondence shall be directed to the appropriate Trustee/Designated Trustee, Department Manager, or Committee Chair.
   - 2.5 Every letter and email should have a rapid acknowledgement of receipt, if the sender can be identified, and a response within ten (10) business days to the subject matter contained therein.

3. Correspondence shall not be copied except for administrative use within the Association.

4. A file of incoming correspondence shall be maintained for use by the Board of Trustees staff, and committees.

5. Correspondence requiring Board action shall be referred to the Board at the monthly meeting and shall be handled under "New Business". Correspondence requiring more immediate action will be brought to the attention of the Business Manager, Or Water Superintendent, Board Secretary or the Board President for action, i.e., "Special Meeting"

6. Members in good standing may review correspondence, except those of legal or personnel nature. Prior arrangements must be made through the Business Manager or his/her designee, or the Board Secretary.

7. All Board outgoing correspondence must be approved by the Board of Trustees and shall carry the signature of the Board President, Business Manager, Water Superintendent or Committee Chair. This shall not limit the filling of routine requests for information by other managers or staff.

8. The Business Manager or his designee shall take the appropriate action on all incoming correspondence.

8.1 Letters requiring answers by Board Members, Designated Trustees, Committee Chairs, or department managers shall be referred to the proper party for a timely response.

8.2 Follow up files shall be maintained to assure all correspondence is closed out properly.

9. All outgoing correspondence by Board members, ~~or~~ Committee, or department managers shall be processed through the Association office to insure that complete records are maintained.

9.1 Outgoing correspondence shall be maintained in an outgoing correspondence file for initialing by Board Members. Any Board member, who disagrees with outgoing correspondence for any reason, shall have seventy two (72) hours to make his/her disagreement known to the originator of the correspondence. A majority of sitting Board members may halt any outgoing correspondence.

9.2 Form Letters which have had prior Board approval do not need to be held for Board members initialing. Any deviation from the standard form letter shall require Board approval.

BOARD POLICY

DEVELOPMENT ON CONTIGUOUS LOTS

INTRODUCTION

The Restrictive Covenants of Surfside Estates contain, among other things, restrictions on the type of use permitted on the various lots in Surfside Estates. The Restrictive Covenants also contain provisions regarding garages, storage sheds and other structures which are accessory to permitted residential use on the lots, but which are not permitted as freestanding, independent development.

Many of the lots of Surfside Estates are relatively small. As a result many homeowners own two or more adjacent lots and, in essence, use these lots as one developed parcel. This sometimes results in a freestanding garage or shed being located on a platted lot separate from the lot on which the residence is located. In instances where the adjacent lots are side by side along the same street, this is consistent with the Restrictive Covenants, as the lots appear to be one developed site, although there are intervening lot lines. However, in other instances, where the lots are not side by side or have a relatively short lot lines in common, the development on the lots may appear less integrated and therefore may not be consistent with the Restrictive Covenants.

POLICY

The Architectural Committee will therefore use the following criteria to determine if two or more lots are considered contiguous for purposes of the Restrictive Covenants. If lots are contiguous according to the following standards, any accessory development which is allowed on a lot containing a principal use is allowed on the contiguous lot(s). If lots are not contiguous according to the following standards, then no development may be permitted on the lot not containing the principal use unless that development would be permitted as a freestanding, independent use. For purposes of this policy, two or more lots will be "considered contiguous if any of the following standards are met:

1. At least 20 feet of the side and/or rear lot lines of the lots are coterminous.

2. The Architectural Committee determines, in its discretion with appeal to the Board, that the layout and orientation of the lots and/or the design, orientation and screening of the proposed development will present the appearance from adjoining rights-of-way and nearby properties that the lots are developed and used as one site, rather than separate sites, and that visual impacts of the accessory development on nearby properties are significantly reduced.

BOARD POLICY

DISPOSAL OF REFUSE

The Articles of Incorporation of the Surfside Homeowners Association make provision for the collection and disposal of refuse. To address this requirement in a cost effective manner the Association has established this policy to control the refuse removal needs of the membership. A centralized refuse disposal area has been established and no individual lot pick-up shall be supplied. The use of the refuse disposal area by members of the Association is subject to the following rules and regulations.

1. Eligibility for use
   - 1.1 Members in good standing of Surfside Homeowners Association shall receive one yearly compactor pass.
   - 1.2 Guest with one day entry pass
     - 1.2.1 Member must request pass from Surfside Homeowners Association Business Office
     - 1.2.2 Pass must be presented to compactor attendant upon entering refuse disposal area.
     - 1.2.3 Pass will be retained by compactor attendant.

2. Entry Pass/Placards
   - 2.1 Entry passes/placards are issued each year at the Surfside Homeowners Association Business Office to members who have paid their yearly dues and assessments.
     - 2.1.1 One placard <u>maximum for each membership</u>
       - 2.1.1.1 Member shall provide office with the Division, Block and Lot numbers of property.
       - 2.1.1.2 Replacement passes/placards shall be provided with a charge assessed to the owner for the duplicate placard.
       - 2.1.1.3 Owners of rental property shall provide Surfside with up to date information on renters name, address of property rented and any other pertinent information needed by the Surfside office.

     Placard pass must be placed on the interior of the vehicle or with member and shall comply with the following:

     - 2.1.2 Must be easily visible by compactor attendant and if not visible, shall be provided to the attendant upon request.
     - 2.1.3 Dues and Assessments must be current March 1 of current year for issuance of entry placard.

3. Attendant

   - 3.1 The attendant shall be an employee of the Association.

3.2 Attendant duties;

3.2.1 Shall be on duty during all open hours

3.2.2 Shall check “entry passes/placards” and “guest passes” on all vehicles entering the refuse disposal area.

3.2.3 Shall refuse admission to any person not meeting eligibility requirements above

3.2.4 Shall direct disposal if required

3.2.5 Shall direct vehicles to move out promptly after refuse has been unloaded

4. Provided Facilities

4.1 Compactor

4.1.1 Maintained for the disposal of kitchen or “wet” garbage

4.1.1.1 Wet garbage or refuse must be sealed in plastic moisture proof bags.

4.1.1.2 Two 45 gallon bags (or equivalent) per day limit per member.

4.2 Drop Box/Boxes

4.2.1 Large drop boxes shall be maintained for the disposal of other than “wet” garbage/refuse.

4.2.2 DRY refuse not to exceed two (2) 45 gallon bags or equivalent per day per member.

4.2.3 Material not accepted in drop boxes;

4.2.3.1 Construction or remodeling refuse

4.2.3.2 Large household items; e.g., rugs, TV’s, mattresses and box springs, appliances or other furniture.

4.2.3.3 Yard debris; e.g., grass, shrub and tree trimmings.

4.3 Recycling Bins

4.3.1 Surfside Homeowners Association may provide a recycling bin, with separate storage areas for various kinds of paper, glass, metals, or other recyclable materials

4.3.2 Compactor Attendant will monitor and enforce proper placing of recyclable materials

5. Hazardous Materials

5.1 Disposal of hazardous materials (as defined periodically by Federal, State, or local regulatory agencies) is strictly prohibited at the Surfside Homeowners Association refuse disposal site.

5.2 Compactor Attendant and the Surfside Homeowners Association office will provide information to members on methods and locations for hazardous waste disposal.

NOTES:

Each member and guest is responsible for placing refuse in the compactor, drop boxes and recycling bins. All members and guest shall clean up any spills or dropped material.

Surfside Homeowners Association urges all our members to recycle all material possible. Recycling helps the environment and helps Surfside Homeowners Association control our disposal costs.

BOARD POLICY

ELECTIONS

Elections are held annually to elect a minimum of three members to the Board of Trustees. Other special items requiring a vote of the membership shall be taken up at the Annual Meeting or at Special Elections called by the Board of Trustees

The Board of Trustees has the responsibility and authority to conduct the election process for the selection of Trustees. Such responsibility and authority is provided through the By-Laws of the Surfside Homeowners Association.

1. An Election Committee Chairperson shall be appointed by the Board of Trustees at the January Regular Board Meeting each year.
   - 1.1 The Election Committee Chairperson shall be a Member of the Board of Trustees, unless voted otherwise by a majority of the sitting Board.
   - 1.2 The Election Committee Chairperson shall be responsible for the following:
     - 1.2.1 Complete oversight of the Election process.
     - 1.2.2 Act as Designated Trustee and Board Adviser to the Nominating Committee.
     - 1.2.3 Find and bring forward to the Board of Trustees a Designated Election Committee Chairperson to oversee the actual election of Trustees, and the handling of all the election process as specified in Operating Procedure #101. (NOTE: DECC Duties and Responsibilities are covered in “Committee Charter”)

2. A Nominating Committee Chairperson shall be appointed by the Board of Trustees on the advice of the Election Committee Chairperson at the February Regular Board Meeting.
   - 2.1 The Nominating Committee Chairperson shall be a member in good standing of the Surfside Homeowner Association.
   - 2.2 The Duties and Responsibilities of the Nominating Committee Chairperson are described in the “Committee Charters” section.

3. A Designated Election Committee Chairperson shall be hired by the Board of Trustees, with the advice of the Election Committee Chairperson, in May of each Year.
   - 3.1 The Designated Election Committee Chairperson, (Hereafter referred to as the DECC), shall have no affiliation with the Surfside Homeowners Association, nor shall they be related to any Trustee or person running for a position on the Surfside Homeowners Association Board of Trustees.
   - 3.2 The person hired as the DECC shall be an impartial, bonded, reputable person with previous election experience whenever possible.
   - 3.3 The Duties and Responsibilities of the DECC are set out in “Committee Charter” section.

4. The election process shall be conducted in accordance with Operating Procedures #101.

BOARD POLICY

PROCEDURES AND SCHEDULE OF FINES

INTRODUCTION:

Article 6 of the Restrictive Covenants of Surfside Estates contains procedures for enforcement of the Covenants. Section 6.4 of the Covenants states as follows:

"6.4 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 personnel (members, employees or others) 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 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 the association."

This Policy is intended to implement Section 6.4 of the Covenants consistent with this provision of state law.

I. GENERAL FINE PROCEDURES

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.

1.1 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.

1.2 All Warning Letters and Fine Letters will be sent as required in Section 6.6 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.

Fines shall be paid by mail or in person at the business office of the Association. The Association shall issue a receipt for the payment of any fine. Under no circumstances may a fine be paid directly to the Authorized Personnel outside the business office of the Association.

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 the Association, 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 the Association has the right to enforce the Covenants, in addition to the imposition and collection of fines, as established in the Covenants.

1.3 The Board hereby appoints the following personnel to impose fines pursuant to Section 6.4 of the Covenants, which personnel shall be referred to in this Policy as the "Authorized Personnel":

a) The Compliance Officer of the Association or other employee(s) of the Association whose duties include enforcement of the Covenants;
b) The chairperson of any committee of the Association if that committee has been specifically charged by the Board with enforcement of the specific Covenant for which a fine is imposed.

1.4 Warning Letters, Fine Letters and other letters authorized by this Policy may be signed by the Authorized Personnel, by the Business Manager of the Association or by the President or other specifically authorized Trustee of the Association.

1.5 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.

1.6 The Authorized Personnel has discretion in the performance of authority and responsibility under this Policy and Section 6.4 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.

1.7 In an appropriate circumstance, as determined by the Business Manager, Water/Fields Supervisor, or
President of the Association, the Association 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.

1.8 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.

II. FINES PERTAINING TO TREE HEIGHT

Section 2.16 of the Covenants mandates that tree height be limited to the height established in the Covenants for the house or other structure on the lot.

The provisions of this Section III establish the fine schedule and related procedures regarding this Covenant provision.

3.1 Prior to sending any Warning Letter, the Authorized Personnel may, but is not required to, send a letter notifying the member that the trees or other vegetation on that member's property is in violation of the Covenants and requesting that the member propose a plan, including a final date for compliance, to bring the member's lot into compliance with Section 2.16 of the Covenants. This letter shall request a response within twenty-one (21) days. If the member does not respond within twenty-one (21) days or if the Authorized Personnel is not able to work out a satisfactory compliance plan with the member, then Authorized Personnel shall send the Warning Letter.

3.2 The Warning Letter shall state that a fine will be imposed unless the member brings the vegetation on the member's lot or lots into compliance with Section 2.16 of the Covenants within a specified time. Unless the Authorized

Personnel determines that another date is more appropriate, this compliance date shall be the date which is ninety (90) days after the date of the letter described in Subsection 3.1 above, or if no such letter was sent, ninety (90) days after the date of the Warning Letter. The Warning Letter shall include the fine schedule for violation of Covenant Section 2.16 established in this Policy.

3.3 If the violation has not been corrected within the time specified in the Warning Letter, the following fines shall be imposed:

3.3.1 $10.00 per day for each lot containing any vegetation in violation of Section 2.16 of the Covenants for thirty (30) days.

3.3.2 Commencing on the 31st day, and continuing until the lot is brought into conformance with Section 2.16 of the Covenants, $15.00 per day for each lot containing any vegetation in violation of Section 2.16 of the Covenants.

3.4 The Board specifically finds that extenuating circumstances exist which justify, in some circumstances, establishing a compliance date for violations of Section 2.16 of the Covenants beyond the twenty one (21) day period of Section 6.3d of the Covenants.

III. FINES PERTAINING TO RV'S

4.1 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 accessed for each lot with a violation of Section 2.9 of the Covenants for thirty (30) days.
b) Commencing on the 31st day and continuing until the violation is brought into conformance with Section 2.9 of the Covenants, $15.00 per day for each lot containing any RV in violation of Section 2.9 of the Covenants.

4.2 The Board may find that extenuating circumstances exist, which justify, in some circumstances, establishing a compliance date for violations of Section 2.16 of the Covenants beyond the twenty one (21) day period of Section 6.3d of the Covenants.

IV. BILLING & COLLECTION OF FINES

5.1 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.

5.2 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 shall 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.

BOARD POLICY

INDEMNIFICATION OF INSURANCE AND INSURANCE

The Board of Trustees, at a meeting held on August 23, 1980, adopted a resolution for indemnification coverage to be furnished by the Association for Trustees, employees and volunteer workers. This insurance coverage is renewed annually.

Insurance shall be provided by the Association as follows:

1. Liability insurance for Surfside Homeowners Association Trustees, agents, employees, volunteers and officials all while acting in their official capacity. NOTE: Property and bodily injury only
2. An additional liability policy for wrongful action shall be carried for Directors and Officers.
3. Association liability insurance shall be carried on all equipment, capital improvements, Association right-of-ways, etc.
4. Marine insurance shall be carried on the water system, excluding the concrete reservoirs.
5. Medical insurance shall be provided for each full-time employee (40 hrs or more per week)
   - 5.1 Medical Insurance for full time employee to state: 40 hours or more per week.
   - 5.2 Prior to the September meeting of the Budget Committee, the Board shall review and establish the amount of medical coverage for the coming fiscal Year.
6. Assure that appropriate bonding shall be maintained for all employees who have access to Association funds or materials.
7. An Insurance Committee shall be established for the purpose of coordinating all insurance needs and insuring maximum coverage at reasonable costs.
   - 7.1 Insurance coverage shall be reviewed at least three months prior to Policy Renewal Dates.
   - 7.2 Bids, if at all possible, from three optional quotes shall be obtained on all insurance contracts.

BOARD POLICY

INVESTMENTS

The Treasurer of the Association is empowered to invest the Association's funds pursuant to the Article VII of the Bylaws. In order to meet the cash flow of the Association, operating funds shall be invested in financial instruments with duration of no longer than six (6) months. Capital (Reserve) funds shall be invested in financial instruments with a duration of no longer than two (2) years. Preservation of capital shall be the primary investment principle. Therefore the Treasurer is limited to the following financial instruments for the investment of Association funds:

1. U.S. Treasury Notes with a duration of not more than two (2) years.
2. Time deposit open accounts, certificates of deposits and savings accounts in banks, mutual savings banks, and savings and loan associations. All funds must be covered by Federal Deposit Insurance (FDIC) or the Securities Investor Protection Corporation (SIPC).

BOARD POLICY

LIENS AND FORECLOSURES

It shall be the Policy of the Surfside Homeowners Association to use the Lien and Foreclosure method for settling all matters involving the collection of all delinquent accounts, or the settling of moneys owed to bring the members property into compliance for the noncompliance of a written complaint of covenant violation.

1. Property owners who remain delinquent in payment of dues and assessments beyond August 1st of each year become subject to lien action and ultimately foreclosure.

2. Owners who have been duly notified of violations of Restrictive Covenant or Architectural Guideline violations, and have failed to rectify the violation are subject to the lien and foreclosure action for the amount of fund required to correct the violation as well as all legal and miscellaneous cost incurred in correcting said violation.

3. All Lien and Foreclosure proceedings will be handled according to Operating Procedure #102.

BOARD POLICY

MEETINGS

1. General
   - 1.1 The President of the Board of Trustees shall have the right to vote on all issues at all meetings.
   - 1.2 Notice of all meetings of the Association shall be posted in the Association office.
   - 1.3 There shall be no smoking at any meeting of the Association.
   - 1.4 With respect to Annual and Special Membership Meetings only:
     - 1.4.1 Article V, Section 3, of the Bylaws, states that "Twenty percent of all the members of the Corporation shall constitute a quorum for the transaction of business."
     - 1.4.2 Article II, Section 2, of the Bylaws, states that, "No membership shall be voted unless .... all dues and assessments are currently paid."

2. Monthly Board Meetings
   - 2.1 The Board of Trustees shall hold regular meetings on the third Saturday of each month.
   - 2.2 Meetings shall convene at 9:00 AM.
   - 2.3 Meetings shall be open to all Association members.
   - 2.4 Meeting date will not be changed except by prior approval of the Board.
   - 2.5 Any Association member wishing to place subject matter on the agenda shall notify the Association office or the Board Secretary at least five (5) working days prior to the meeting.

   NOTE: See copy of Sample Regular Meeting Agenda.

3. Special Board Meetings
   - 3.1 All Special Board Meetings shall be called as stated in Article V, Section 4, of the Bylaws.
   - 3.2 Special Board Meetings may be open to the membership or special guests at the discretion of the Board.
   - 3.3 Discussion and action at Special Board Meetings shall be limited to the subject or subjects stated in the meeting notice. The agenda may be amended by a vote of the majority of the Board members present at the start of the meeting.

4. Special Closed Board Meetings
   - 4.1 Closed special meeting shall conform to RCW 64.38.035 (2), as stated:

     7.2. *Except as provided in this subsection, all meetings of the board of directors shall be open for observation by all owners of record and their authorized agents. The board of directors shall keep minutes*

of all action taken by the board, which shall be available to all owners. Upon the affirmative vote in an open meeting to assemble in closed session, the board of directors may convene in closed executive session to consider personnel matters; consult with legal counsel or consider communications with legal counsel; and discuss likely or pending litigation, matters involving possible violations of the governing documents of the association, and matters involving the possible liability of an owner of the association. The motion shall state specifically the purpose for the closed session. Reference to the motion and the stated purpose for the closed session shall be included in the minutes. The board of directors shall restrict the consideration of matters during the closed portions of meetings only to those specifically exempted and stated in the motion. No motion, or other action adopted, passed, or agreed to in closed session may become effective unless the board of directors, following the closed session, reconvenes in open meeting and votes in the open meeting on such motion, or other action which is reasonably identified. The requirement of this subsection shall not require the disclosure of information in violation of law or which is otherwise exempt from disclosure.

5. Annual Membership Meeting
   5.1 The Annual Membership Meeting shall be held on the second (2nd) Saturday of July of each year. (Article 5, Section 1, of the Association Bylaws)

6. Special Membership Meeting
   6.1 Special Membership Meetings are controlled by Article 5, Section 2, of the Association Bylaws:
   "Section 2. Special meetings of the members may be called at any time by the president or a majority of the board of trustees or by members representing ten percent of the tracts within the jurisdiction of the corporation. Notice of a special meeting, stating the object thereof, shall be given by the secretary by mailing such notice to each member not less than five days prior to the date on which such meeting is to be held."
   6.2 Discussion and action at all Special Meetings of membership shall be confined to the stated purpose of the meeting.
   6.3 Except for the Board President, no Board member or other member may speak on any issue more than twice and speakers shall be limited to a total of five (5) minutes per individual.

NOTES: **In current by-laws when submitting proposal to change or alter the by-laws, "verified paid-up" should be added to Article 5, Section 2. Additional change should be to change five (5) day notice, to ten (10) days notice.**

BOARD POLICY

MEETINGS

SAMPLE REGULAR BOARD MEETING AGENDA

1. CALL MEETING TO ORDER AT 9:00 A.M.
2. FLOOR COMMENTS (20 MINUTES
3. ADOPT AGENDA
4. APPROVE MINUTES OF PREVIOUS MEETING (REGULAR AND/OR SPECIAL)
5. OLD BUSINESS
6. NEW BUSINESS
7. COMMUNICATIONS
   A. INCOMING
   B. OUTGOING
   C. MEETINGS/CONTACTS
8. STAFF AND COMMITTEE REPORTS:
   A. WATER /FIELD SERVICES – WATER/FIELD SUPERINTENDENT
   B. WATER/FIELD SERVICES COMMITTEE
   C. ARCHITECTURAL COMMITTEE
   D. BUDGET COMMITTEE
   E. COMMUNITY RELATIONS COMMITTEE
   F. TREE, BRUSH, & NOXIOUS WEED SUB-COMMITTEE
   G. GRIEVANCE COMMITTEE
   H. TREASURER'S REPORT
   I. BUSINESS OFFICE REPORT
   J. RV COMMITTEE
   K. LAND AND BUILDINGS COMMITTEE
   L. FISH & WATERWAY MANAGEMENT COMMITTEE
   M. SHERIFF'S PATROL
   N. IT REPORT
   O. SAFETY COMMITTEE REPORT
   P. RECEIPT OF COMMITTEE REPORTS
9. COMMENTS (10 MINUTES)
10. RECESS TO CLOSED SESSION ON PERSONNEL, LEGAL, CONTRACT ISSUES OR EMPLOYEE MATTERS (IF NECESSARY)
11. RECONVENE
12. FLOOR TOPICS FOR THE GOOD OF THE ORDER
13. ADJOURN

BOARD POLICY

MEETINGS

SAMPLE ANNUAL MEETING AGENDA

DATE:

REGISTRATION: 8:00 A.M. TO 10:00 A.M.

1. CALL TO ORDER 10:00 A.M.
2. ADOPTION OF AGENDA
3. INTRODUCTION OF BOARD MEMBERS, EMPLOYEES AND GUESTS
4. INTRODUCTION OF DECC
5. DECLARATION OF A QUORUM AND DISTRIBUTION OF PROXIES
6. ADOPTION OF ANY SPECIAL RULES
7. APPROVE MEINUTES FROM LAST ANNUAL MEETING
8. NOMINATION OF CANDIDATES
9. NOMINATIONS FROM THE FLOOR
10. BALLOTING
11. PRESIDENTS ADDRESS
12. GENERAL MANAGERS REPORT
13. LEGAL REPORT
14. FINANCIAL REPORT
15. GUEST SPEAKERS
16. COMMITTEE REPORTS
17. MEMBER HEARING ON ANY COVENANT CHANGES
18. ANNOUNCEMENT OF ELECTION RESULTS
19. OLD BUSINESS
20. NEW BUSINESS
21. FLOOR COMMENTS
22. MOTION FOR ADJOURNMENT

NOTE: ANNOUNCEMENT OF ANNUAL PICNIC AT ASSOCIATION OFFICE FROM NOON TO 4:00 P.M. ALL MEMBERS AND GUESTS WELCOME

BOARD POLICY

NEWSLETTER

The purpose of the Surfside Homeowners Association Newsletter is to advance the interests of the association, to inform the members of any matters affecting the association and/or its members, and to encourage communication and participation among the Board and all members. The newsletter is the official publication of the association, authorized by the Board of Trustees (Board).

1. The title of the publication shall be the Surf-In-Sider unless re-titled by the Board.

2. The newsletter shall be directed by the Business Manager, who may appoint additional persons to assist in the preparation and publication.
   - 2.1 Prior to publication, the Business Manager shall review the draft newsletter articles for assurance of accuracy. The Business Manager may also submit draft articles to the Board President for comment and/or suggested changes or additions.
   - 2.2 For purposes of this policy, opportunity to express disapproval of newsletter copy by Board members shall be managed in the same manner as correspondence in Section 9.1 of the Board Policy on Correspondence.

3. The newsletter shall be published at a minimum of two times a year.
   - 3.1 The publication schedule may be altered by the Business Manager. This includes cancellation of a regular edition if there is insufficient news to report or the additional publications as deemed necessary.
   - 3.2 The Business Manager may, with the Board's approval or by Board direction, add special editions before, between or beyond the regular annual two publications.
   - 3.3 The first issue each year shall be sent in January and shall contain a summary of the budget hearing, adopted budget details and other Association issues affecting the members that have occurred since the annual meeting in July.
   - 3.4 The second issue each year shall be sent in June and shall contain a synopsis of the issues to be voted upon at the annual meeting in July, and a resume and statement of each of the candidates for the Board.
   - 3.5 If deemed necessary by the Business Manager, a third newsletter may be sent in October.
   - 3.6 The Business Manager shall establish a specific schedule for regular publication of the newsletter at least twice yearly. The mailing of the second newsletter in June shall be included with the annual meeting notification first class mailing.

4. It is the intent that the newsletter concentrate of factual articles presented in a non-partisan manner. Articles to the Business Manager are subject to editing by the Business Manager, who shall have sole discretion whether any article (or portion thereof) shall be published, unless overruled by the President or a majority of the Board. Articles shall be limited to 250 words. At times it may be necessary to include larger articles given complex projects or issues. Approval of larger articles is at the discretion of the Business Manager.

5. Clarification or interpretation of this Board Policy shall be made by the Board.

BOARD POLICY

OPERATING RESERVE

The Surfside Homeowners Association shall maintain a minimum Operating Reserve balance of 90 days and less than 150 days funding to maintain operations of the Association should collection of dues and assessments be delayed for any reason beyond the control of the Association or budget shortages. Operating Reserve funds in excess of 90 days may be used for the purchase of unanticipated and unbudgeted needs or transfer all, or a portion of the amount to Capital Reserves at the discretion of the Board of Trustees.

All unbudgeted purchases or other uses of these funds shall receive prior approval by the Board of Trustees.

The money available to fund the Operating Reserve is determined following the annual audit. Once the amount is determined, the Board of Trustees shall:

1. Transfer all of the excess to Capital Reserves; or
2. Retain a portion of the funds to increase the Operating Reserve level, except that a minimum of 50% of the available funds shall be transferred to the Capital Reserve account.

Exceptions: The Board of Trustees may waive the 50% transfer to Capital Reserves if:

a. The Operating Reserve balance is less than the required ninety (90) day funding level as specified in this policy;

b. The Operating Reserve balance exceeds the maximum 150 day funding level as specified in this policy, in which case any amount in excess of the maximum shall be transferred to the Capital Reserve account; or

c. In the event the assets of Surfside are damaged due to a cataclysmic event(s), the Operating Reserve, Capital Reserve and any other available funding asset shall be available to fund the repair, replacement or provide core functions by any reasonable and responsible means available.

BOARD POLICY

RV STORAGE AREA

The parking of recreational vehicles for extended periods of time is prohibited in most Divisions of Surfside Estates. This made it necessary for the Association to make available suitable off-lot storage for RV's. The RV Storage Area is a result of the Association trying to meet the needs of all the members. There are specific rules and regulation as well as the fees, which govern the use of this area. These rules, regulation and fees shall be posted in the business office and at the RV site at all times. The qualifications for, and the use of, the RV Storage Area shall be delineated here.

1. The RV Storage Area is for the exclusive use of members in good standing of the Surfside Homeowners Association. There is a limit of one space per member. Occupancy of stored vehicles is prohibited.
   1.1 Property renters of property owner being in good standing shall be allowed use of RV Storage Area providing space is available.
2. Storage in RV Storage Area is limited to Recreational Vehicles only. **
3. Use of this facility is subject to the payment of a storage fee, which is determined by the Board of Trustees.
4. The member shall have the option of renting his/her storage space with or without electrical power. Spaces using the electrical power hookups shall be billed at a higher rate than those choosing not to use the power connection.
5. Members shall store their RV only in the assigned storage space. Violators of this rule will be subject to having their RV towed from the facility at their expense.
6. The rental fee "Year" shall run from November 1 through October 31.
7. Violators of any of the rules and regulations or those who have failed to pay their space rental shall remove their RV in fifteen (15) days of notification of such violations or non-payment.
8. Members shall be responsible for maintaining adequate insurance, including liability.
9. RV units shall be maintained road ready and properly licensed.
10. A copy of owner's current vehicle registration and proof of insurance shall be provided.
11. Storage Site Disclaimer, as revised and approved on February 1^{7th}, 2001, shall be part of this policy.
12. Boats may be stored in the RV Storage Area on a space available only option. These spaces shall be vacated when needed to store valid RV's as defined in this policy. Boats shall maintain current registration and licensing.

<u> Recreational Vehicle</u> is defined in the Surfside Homeowners Association Restrictive Covenants, Section 1.3 as: "Recreational Vehicle (RV) shall mean a vehicular type portable structure without permanent foundation, which can be towed, hauled, or driven and is primarily designed for temporary living accommodation for recreational, camping and travel use and includes, but is not limited to, travel trailers, truck campers, camping trailers, and self-propelled motor homes. RV also includes boats and boat trailers. RV's must be licensed full time for road travel and must be in movable condition within one (1) hour.**

BOARD POLICY

RV STORAGE AREA MANAGEMENT PLAN

1. Purpose of the Management Plan is to ensure that the RV Storage area is maintained in a safe and clean manner; and to ensure that the provisions for storing RV's and any other Board approved vehicles contained in the signed Storage Site Disclaimer forms are enforced.

2. The Water/Field Services Superintendent and covenant compliance designee shall jointly share the responsibility for carrying out this plan upon review and approval of the Business Manager.

3. Storage Site Disclaimer Form filled out and signed by renters is part of this plan; that form is referenced in the Board Policy entitled RV Storage Area, and is available in the Surfside Business Office.

4. The Business Manager or his/her designee shall have primary responsibility for ensuring that records are maintained in such a way that each rented RV Storage space is properly assigned; that each space has appropriate limitations placed upon it (length, and type of vehicle permitted, electricity or not); that Storage Site Disclaimer Forms are complete and up-to-date for each rented storage space; that renters are aware of the provisions regarding maintenance of their vehicle; that rents are paid on time and in the correct amount; that related records are kept; and that non-payment and maintenance provisions are enforced.

5. The Water/Field Services Superintendent and covenant compliance designee shall work jointly to ensure that the RV Storage Area is maintained in a safe and clean manner; that each rental space is uniquely numbered; that parking lines are clearly visible and repainted as necessary; that information of the vehicle length and availability of electricity information for each space, as maintained by the Business Manager or his/her designee, is correct and up-to-date; that only assigned vehicles are parked in the correct assigned space; that electrical service is functioning at each electrical space and that overall storage lot electrical service, including lighting, is maintained; that electricity is tuned on or off for cause at each space; that fencing is maintained; that necessary grading, graveling, and/or paving of the conducted of the entire storage are; and that, from the quarterly inspection, a report is prepared for the Business Manager and the designated Board Trustee on all matters in this paragraph, including violations of the conditions in the Storage Site Disclaimer Forms and/or rental agreements.

6. The Board of Trustees shall review the reports provided by the Water/Field Services Superintendent, covenant compliance designee and Business Manager or his/her designee, not less that quarterly, and shall take action deemed appropriate to ensure the maintenance of a safe and clean RV Storage Area, and enforcement of RV Storage Area Storage Site Disclaimer Forms and/or rental agreements.

7. The Board shall direct that renters not in compliance with rental agreements be notified by the Business Manager or his/her designee that they must come into compliance within a reasonable time (not to exceed 90 days), or remove their units, and that failure to do so may result in removal of their unit from the rental area by an independent contractor at the owners expense or other legal action as determined by Surfside legal counsel.

BOARD POLICY

WORK IN THE ROAD RIGHTS-OF WAY AND ON SURFSIDE-OWNED PROPERTY

The Surfside Water Department, under the supervision of the Water/Field Services Manager is empowered to construct and/or replace water mains, water services and other Surfside Water Distribution System equipment that may be located in the road right-of-way.

The Surfside Water Department is also empowered to construct, repair/replace and maintain utilities/water distribution system equipment on Surfside-owned properties.

In the course of construction, maintenance, repair or replacement of utilities in road rights-of-way, there may be obstructions placed or constructed by property owners that will require removal in order to complete work necessary.

Owners of the any property within the Surfside Water Service Area shall be required to remove any and all existing improvements or obstructions that may be necessary in order to construct water mains or perform repair, replacement or maintenance of water system facilities or water system related projects. This requirement applies to both planned construction activities and emergency activities that may occur.

Surfside shall provide advance written notice to owners of pending construction projects adjacent to their property and that possible existing private improvements or obstructions associated with their property may be located within the right-of-way and will be impacted by any construction project. However, emergency repairs that require removal of obstructions or improvements existing in the right-of-way by the Surfside Water/Field Services crew may be done without the notification to property owners to make all necessary repairs.

Property owners shall remove all obstructions and/or improvements at their own expense. If the owner fails to remove such obstruction or improvement in a timely manner, Surfside has the authority to remove said obstruction or improvement and may assess the owner any costs incurred as part of the required work. Surfside shall not be responsible to replace any obstruction or improvement in the road right-of-way or on any Surfside-owned property that may be required in conjunction with water distribution system construction, maintenance or repairs; EXCEPT that existing driveways will be replaced with gravel or like material to allow functional use of the driveway portion within the right-of-way. No existing asphalt or concrete surfaces will be replaced at Surfside expense. Surfside will replace mail boxes to functional use that are required to be removed in conjunction with any construction or maintenance/repair projects. Where roadway improvements other than standard paving are encountered, Surfside may consult with Pacific County prior to any working being done.

Surfside is not and will not be liable for the cost for any repairs for any damage or destruction of private improvements that are located in the road right-of-way.

BOARD POLICY

SHERIFF PATROL

1. The Board of Trustees of the Surfside Homeowners Association shall provide for Sheriff's Patrol for the purpose of maintaining the security and safety of all Surfside Homeowners.

2. It shall be the objective of the Board of Trustees to contract with Pacific County Sheriff's Office to have an agreement mutually beneficial which will provide cost-effective patrol of Surfside Homeowners area as well as enhancement of the general security of the North End of the Long Beach Peninsula. To this end it is mandatory that:
   - 2.1 Surfside Sheriff's Patrol Personnel shall be a commissioned Reserve/Regular Officer of Pacific County.
   - 2.2 The Association shall abide by all terms and conditions of the negotiated contract between the Association and Pacific County and the Pacific County Sheriff's Office.

BOARD POLICY
SMALL WORKS ROSTER

A Small Works Roster is established to form a pool of contractors to expedite the solicitation and award of bids on small works construction projects with an estimated cost of less than $20,000. This includes all types of construction, alterations, additions, repairs or improvement projects, other than ordinary maintenance projects, executed at the cost of Surfside Homeowners Association.

Contractors will be expected to:

- Execute a performance with proof of such work through the established Surfside Homeowners Association application process before beginning any work. Surfside may retain 50% of the contract amount for 30 days following project acceptance or until all applicable State or County agency requirements have been met.

- The Contractor shall hold a valid Washington State Contractors License

Surfside will be expected to:

- Pay invoices for completed and documented work, subject to approval by the Board of Trustees and/or Business Manager or Water Superintendent. o

- Obtain contractor approval for any changes in the project scope of work.

- Inspect completed work for project acceptance.

- Release any retainage promptly upon received of any necessary State or County agency releases.

When the Small Works Roster is utilized, Surfside shall invite proposals from contractors on the Small Works Roster including, whenever possible, at least one proposal from a minority contractor who otherwise qualifies. Surfside is an equal opportunity employer with a variety of contracting needs varying from construction and maintenance of Surfside Water Distribution System, recreational facilities and land and buildings.
The contractor shall complete the Small Works Roster Application and submit to the Surfside Homeowners Association Business Office. This application will be kept on file until such time the contractor requests removal. The Business Office shall retain a data base of those contractors on the Small Works Roster and notify these contractors of upcoming projects within the monetary amount provided under this policy.
Selection of a contractor on projects over $3,000 shall require Board approval based on the criteria outlined in the Control of Association Funds Board Policy and more specifically described in sections entitled Contracts/Services and Construction Contracts.

BOARD POLICY

TIDEGATE MAINTENANCE

The existing north and south outfalls to the beach shall be maintained and operated only by Pacific County Flood Control District No. 1, under the guidance of Pacific County Public Works Department. Surfside shall maintain and control only the intakes located on the inland side of each of the two beach outfalls.

At such time Surfside receives a complaint regarding necessary maintenance and/or repair of the north and south beach outfalls be necessary, Surfside management shall notify Pacific County Public Works with details of the request/complaint.

POSITION DESCRIPTION

BOARD OF TRUSTEES

REQUIREMENTS / QUALIFICATIONS:

The requirements and qualifications to serve as a member of the Board of Trustees are stated in the Bylaws of the Corporation in Article IV, Trustees and Officers. The only requirement is that the candidate must be a member in "good standing" of the Association, or the appointed legal representative of same.

CONTROL AND AUTHORITY:

The Board of Trustees is authorized by the Articles of Incorporation and the Bylaws of the Association. Order of Succession:

President
Vice-President
Secretary
Treasurer
Trustees by seniority

BASIC ASSIGNMENT:

The basic assignment, duties and responsibilities, of the Board of Trustees is set out in the Bylaws and the Articles of Incorporation. These Articles set the Board of Trustees as the legal controlling body of the Association, and sets standards as to how these powers are to be used. It shall be the duty of the Board of Trustees to act at all times in the best interest of the Association and all its members.

DUTIES AND RESPONSIBILITIES:

1. Review incoming and outgoing mail no less or at least weekly.
2. Inform office staff when out of town, giving location and method of contact.
3. Procedure for office staff to do any work, beyond daily office duties, for trustees are to be routed through the Business Manager
4. Annually assess, in cooperation with the Business Manager, the effectiveness of the Board, and make any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Board, and make changes to improve the operation of the Board.

POSITION DESCRIPTION

BOARD PRESIDENT

REQUIREMENTS / QUALIFICATIONS:

The President of the Board of Trustees is elected by, and from, the full Board of Trustees at the first regular or special meeting following the Annual Meeting.

POSITION CONTROL AND AUTHORITY:

The Office of Board President is authorized in the Bylaws of the Association as stated in Article VII, Section 1.

BASIC ASSIGNMENT:

Article VII, Section 1. The President shall preside at all meetings of the trustees and members; he shall sign as President all certificates of membership and all contracts or other instruments in writing authorized by the board of trustees; he shall call special meetings of the trustees or of the members whenever he deems it necessary; he shall have and exercise under the direction of the board of trustees the general supervision of the affairs of the corporation.

DUTIES AND RESPONSIBILITIES:

The President shall follow the additional assigned duties and responsibilities not covered in Article VII, Section 1.

1. Shall be a member of the Executive Committee, ex-officio, a member of all committees, both Standing and Temporary;
2. Shall serve at the pleasure of the Board of Trustees;
3. Shall serve no more than two (2) consecutive terms in office;
4. Shall not be a signature on Association checks or other financial accounts or instruments;
5. Shall appoint Designated Trustees to any and all Association departments, functions and committees with Board approval;
6. Shall have the power to appoint and/or remove all committee chairpersons &/or committee members with Board approval;
7. Shall hear all complaints lodged against Trustees, Designated Trustees and committee chairpersons;
8. Shall be a member of, and shall preside over all meetings of the Executive Committee;
9. Annually assess, in cooperation with the Business Manager, the effectiveness of the office of the President, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures pertaining to the jurisdiction of the office of the President, and make recommendations for improvement of the operation of the office of the President.

POSITION DESCRIPTION

VICE-PRESIDENT

REQUIREMENTS / QUALIFICATIONS:

The Vice-President of the Board of Trustees is elected by, and from, the full Board of Trustees at the first regular or special meeting following the Annual Meeting.

POSITION CONTROL AND AUTHORITY:

The Office of Vice-President is authorized in the Bylaws of the Association as stated in Article VII, Section 2.

BASIC ASSIGNMENT:

Article VII, Section 2. Vice-President. The Vice-President shall preside at all meetings of the trustees and members in the absence of the President, and in case of the absence or disability of the President shall perform all other duties of the President which are incidental to his/her office.

DUTIES AND RESPONSIBILITIES:

The following are the assigned duties and responsibilities of the Vice-President which are not covered in Article VII, Section 2:

1. Shall be a member of the Executive Committee,
2. Shall perform all other duties assigned by the Board President.
3. Annually assess, in cooperation with the Business Manager, the effectiveness of the office of the Vice-president, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures pertaining to the jurisdiction of the office of the Vice-president, and make recommendations for improvement of the operation of the office of the Vice-president.

POSITION DESCRIPTION

BOARD SECRETARY

REQUIREMENTS / QUALIFICATIONS:

The Secretary of the Board is elected by, and from, the full Board of Trustees at the first regular or special meeting following the Annual Meeting.

POSITION CONTROL AND AUTHORITY:

The Office of Board Secretary is authorized in the Bylaws of the Association as stated in Article VII, Section 3.

BASIC ASSIGNMENT:

Article VII, Section 3. Board Secretary. The Secretary shall preside at all meetings of the trustees and members in the absence of the President and or Vice-President. The Secretary shall issue all notices and shall attend and keep the minutes of all meetings; he/she shall have charge of all corporation books, records and papers; he/she shall be custodian of the corporate seal, shall attest his/her signature and impress with the corporate seal all written contracts of the corporation, and shall perform all such other duties as are incidental to his/her office.

DUTIES AND RESPONSIBILITIES:

The following are the assigned duties and responsibilities of the Board Secretary not covered in Article VII, Section 3. The Board Secretary;

1. Shall be a member of the Executive Committee,
2. Shall fulfill all duties assigned by Operating Procedure #101 concerning elections,
3. Annually assess, in cooperation with the Business Manager, the effectiveness of the office of the Secretary, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures pertaining to the jurisdiction of the office of the Secretary, and make recommendations for improvement of the operation of the office of the Secretary.

POSITION DESCRIPTION

BOARD TREASURER

REQUIREMENTS / QUALIFICATIONS:

The Treasurer of the Board of Trustees is elected by, and from, the full Board of Trustees at the first regular or special meeting following the Annual Meeting.

POSITION CONTROL AND AUTHORITY:

The Office of Board Treasurer is authorized in the Bylaws of the Association as stated in Article VII, Section 4.

BASIC ASSIGNMENT:

Article VII, Section 4. Board Treasurer. The Treasurer shall preside at all meetings of the trustees and members in the absence of the President, Vice-president and Board Secretary. The Treasurer shall keep safely all moneys and securities of the corporation and disburse the same under the direction of the Board of Trustees. He/she shall cause to be deposited all funds of the corporation in a bank selected by the Trustees. At each Annual Meeting of the members, and at any time directed by the Trustees, he/she shall issue and present a full statement showing in detail the condition of the affairs of the corporation.

DUTIES AND RESPONSIBILITIES:

The following are the assigned duties and responsibilities of the Board Treasurer not covered in Article VII, Section 4. The Board Treasurer;

1. Shall be a member of the Executive Committee,
2. Shall be the Chairperson of the Budget Committee,
3. Shall be the Chairperson of the Investment Committee,
4. Shall be the Chairperson of the Audit Committee,
5. Shall ensure the integrity of the Safety Deposit Box,
6. Shall oversee all functions concerning the making and keeping of the permanent financial records.
7. Annually assess, in cooperation with the Business Manager, the effectiveness of the office of the Treasurer, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures pertaining to the jurisdiction of the office of the Treasurer, and make recommendations for improvement of the operation of the office of the Treasurer.

POSITION DESCRIPTION

DESIGNATED TRUSTEE

REQUIREMENTS / QUALIFICATIONS:

The requirements and qualifications to be a Designated Trustee are as follows;

1. Be a member of the Board of Trustees
2. Be willing to serve when appointed by the Board President
3. Have a working knowledge, or obtain such knowledge, of the duties and workings of the assigned department or committee.

CONTROL AND AUTHORITY:

The authority for this position was granted by a resolution of the Board of Trustees for the purpose of allowing the Board President to delegate authority and responsibility to those of his/her choice.

BASIC ASSIGNMENT:

The Designated Trustee is an arm of the President of the Board. He/she is appointed by the President to be a liaison between the President and the Board and the assigned department or committee. The Designated Trustee shall be responsible for the policy oversight of the department, committee or other function assigned to him/her. The Business Manager shall have direct responsibility for the day to day management of all departments, committees, or other functions of the Association, and shall seek guidance from, and consult with, the Designated Trustee for a particular function.

In the case of an assignment to a Surfside Homeowners Association Department, (Business Office, Water Department, Sheriff's Patrol, Compactor/RV Storage Area or Legal Representative) it shall be the duty of the Designated Trustee to generally familiarize them self with the operation of the activity. The general oversight of these activities shall include policy review and guidance to the Business Manager and department manager on the efficient and effective operation of the activity, participation in the annual goal setting and evaluation of the manager, employees and general operation of the department.

In the case of committee assignment, the Designated Trustee should be an active member of the committee.

Annually assess, in cooperation with the Business Manager, the effectiveness of the assigned area of responsibility and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdictions of the assigned area of responsibility, and make recommendations for improvement of the operations of the assigned area of responsibility.

COMMITTEE CHARTER

ARCHITECTURAL COMMITTEE

PURPOSE: To provide for the orderly review of all submitted plans for buildings, and any other structures proposed in areas under the control of the Surfside Homeowners Association. To render an opinion as to whether the plans in for review meet all the requirements and restrictions of the bylaws and covenants of the association. These decisions shall be consistent and fair to all applicants.

DURATION: This committee shall have permanent status.

APPOINTMENT: The chairperson of the architectural committee shall be appointed by the President of the Board of Trustees, at the first regular board meeting following the annual meeting each year, with the advice and consent of a majority of the sitting board. The chairperson shall choose the remainder of his committee with the concurrence of the Board. This committee shall have no fewer than three members.

QUALIFICATIONS: The chairperson and each member of the Architectural Committee shall be a member in good standing of the Association.

DUTIES AND RESPONSIBILITIES:

1. The committee shall hold weekly meetings in the Association office
   - 1.1 The committee chair shall determine the day and time
   - 1.2 The day and time will be the same each week unless unusual circumstance makes change necessary
   - 1.3 Meetings will be held only when there is a necessity; Re: plans to review or other committee business
2. Special committee meetings may be called by the chairperson if the need should arise
3. The committee shall review all plans and applications in accordance with the terms and conditions set forth in Operating Procedure #104.
   - 3.1 All action taken by the committee shall not be in conflict with the Articles of Incorporation, Bylaws, Covenants/Architectural Guidelines or Operating Procedure #104
   - 3.2 The Committee has the authority to grant extensions on a case by case basis
   - 3.3 All unresolved problems or applications shall be brought to the Board of Trustees
4. A Designated Trustee shall be appointed by the Board President to assist the committee and as act liaison between the Committee and the Board of Trustees.

5. Set up a Sub-Committee to work with the covenant compliance designee on matters involving inspection of property and enforcement of all Committee related bylaws and covenants.
6. Annually assess, in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

ARCHITECTURAL COMMITTEE SUB-COMMITTEE

PURPOSE: The purpose of this sub-committee is to supplement the workings of the architectural committee by providing an inspection and enforcement arm**.**

DURATION: This sub-committee is an extension of the architectural committee and as such has permanent status**.**

APPOINTMENT: The chairperson of this sub-committee shall be appointed by the Committee Chair. The other members of this sub-committee shall be appointed from the members of the regular architectural committee**.**

DUTIES AND RESPONSIBILITIES:

1. Shall be responsible for property inspections and reviews relating to development projects;
2. Shall work with the covenants compliance designee to handle complaints arising from the covenant and Bylaw violations as they pertain to the areas governed by the Architectural Committee.
3. Annually assess, in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

ARCHITECTURAL COMMITTEE

TREE, BRUSH, VEGETATION AND NOXIOUS WEED SUB-COMMITTEE

PURPOSE: This committee has the responsibility to ensure that the restrictive covenants are adhered to in all matters regarding tree height, slash, overgrowth of vegetation and noxious weeds. The Committee shall work in conjunction with the covenants compliance designee on all Covenant violations related to the Committee.

DURATION: This committee shall have permanent status**.**

APPOINTMENT: This committee shall have three or more members. The committee chairperson shall be appointed by the President of the Board of Trustees with the approval of the board. Additional members will be appointed by the Committee Chairperson with Board approval**.**

QUALIFICATION: All members of this committee must be members in good standing**.**

1. Meetings of this Committee shall be called by the Chairperson as often as required to fulfill this charter.
2. Determine whether trees or other vegetation on a platted parcel "and that these trees or other vegetation do not comply with the height restrictions as stated in Covenant 5.3 and Exhibit "A" of the Restrictive Covenants.
3. The Committee shall work with the covenant compliance designee on written complaints received in the Association Business Office. No verbal or telephone complaints shall be accepted or acted upon.
4. The Committee may initiate actions to achieve compliance with the restrictive covenants, may make recommendations to the Board for changes to the covenants, and may initiate enforcement of the covenants.
5. The Committee has the authority to grant extensions on a case by case basis.
6. Enforcement of this Restrictive Covenant shall conform to the provision of Covenant. 6.0 The owners right of appeal shall be governed by the provisions set out in Covenant 6.8
7. The Committee shall report to the business office all locations of noxious weeds seen by or reported to the Committee. This report should contain the Division, Block and Lot number and the approximate location on the lot of the noxious weeds.
8. The Committee shall bring all findings of their investigation of complaints to the Business Manager or his designee for the appropriate action; i.e., finding of no problem, finding of problem requiring a letter be sent or the finding of noncompliance of previous letter.
9. The Committee Chairperson shall bring those complaints requiring legal action to the Board through the Business Manager.

10. The Chairperson shall prepare a written report for each monthly Board Meeting.
11. The Committee will submit to the Business Manager any information he/she deems important regarding current rules or regulation having to do with burning, fire danger, tree debris or methods of control, for publication in the Association Newsletter.
12. The committee Chairperson shall annually supply the Secretary to the Board with a current list of all Committee members' names and addresses.
13. Annually assess, in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

RV COMMITTEE

PURPOSE: This committee has the responsibility to ensure that the restrictive covenants are adhered to in all matters regarding use and storage of recreational vehicles. The Committee shall work in conjunction with the covenants compliance designee and Business Manager on all matters pertaining to the Committee purpose.

The Committee should provide a voice for needs and concerns for RV Owners.

DURATION: This committee shall have permanent status**.**

APPOINTMENT: This committee shall have three or more members. The Committee Chairperson shall be appointed by the President of the Board of Trustees with the approval of the Board. Additional members will be appointed by the Committee Chairperson with Board approval**.**

QUALIFICATION: All members of this committee must be members in good standing of Surfside Homeowners Association**.**

1. Meetings of this Committee shall be called by the Chairperson as often as required to fulfill this charter.
2. Determine whether use and storage of recreational vehicles on platted parcels is in compliance with Section 2.9 and related sections of the Restrictive Covenants.
3. The Committee shall work with the covenant compliance designee on all written complaints received in the Association Business Office. No verbal or telephone complaints shall be accepted or acted upon.
4. The Committee will work with the covenants compliance designee to ensure all RV's in the storage lot are member owned and meet the requirements for use of the RV Storage Area.
5. The Committee will make recommendations to the Water/Field Superintendent for budget items relating to maintenance and improvements of the RV Storage Area. The Committee will also work with the Land & Building Committee for long range planning and improvements to the RV Storage Area.
6. The Committee shall ensure maintenance of necessary records to monitor compliance with the Restrictive Covenants related to Recreational Vehicles.
7. The Committee shall work with the covenants compliance designee to initiate assessments of the status of compliance of Recreational Vehicles to the Restrictive Covenants; may make recommendations to the Board for changes to the Covenants, any may initiate enforcement of the Covenants.

8. Enforcement of this Restrictive Covenant shall conform to the provision of Covenant 6.3. The owner's right of appeal shall be governed by the provisions set out in Covenant 7.1.
9. The Committee, in conjunction with the covenants compliance designee, shall bring all final findings of their investigation of complaints to the Business Manager or his/her designee for the appropriate action; i.e., finding of no problem, finding of problem requiring a letter be sent or the finding of noncompliance of previous letter.
10. The Compliance Officer shall bring those complaints requiring legal action to the Business Manager.
11. The Chairperson shall prepare a written report for each monthly Board Meeting.
12. The Committee will submit to the Business Manager any information he/she deems important regarding current rules or regulation having to do with recreational vehicles for publication in the Association Newsletter.
13. The Committee Chairperson shall supply the Secretary to the Board with a current list of all Committee member's names and addresses.
14. Annually assess, in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER
EMERGENCY MANAGEMENT COMMITTEE

PURPOSE: To identify potential emergency management issues facing Surfside; assess their potential seriousness, frequency and likelihood; identify means for protecting Surfside lives and property from loss or damage; develop recommendations for Surfside members to protect their health and safety; identify measures SHOA can take to protect lives and property in the event of emergencies; work cooperatively with Federal, state, and local emergency management agencies and resources; assess the effectiveness of emergency management at all levels; and make improvements.

DURATION: The committee shall have permanent status.

APPOINTMENT: The chairperson of the Emergency Management Committee shall be appointed by the President of the Board of Trustees at the first regular Board meeting following the annual meeting each year, with the advice and consent of the majority of the sitting Board. The chairperson shall choose the remainder of his/her committee with the approval of the Board. The committee shall have no fewer than three members.

QUALIFICATION: The chairperson and each member of the Emergency Management Committee shall be a member in good standing.

DUTIES AND RESPONSIBILITIES:

1. The committee will develop an emergency plan for the Surfside Homeowners Association.
2. The committee will have an educational component. It is anticipated that workshops, lectures, and brochures will be developed for emergency issues for Surfside.
3. The committee will develop liaisons with other governmental and non-governmental organizations to plan and manage emergency situations which may occur.
4. Prepare recommendations for the Board, to include mitigation, response, recovery, and preparedness.
5. The committee shall hold meetings on the second Tuesday of each month at 1PM, and as the need arises.
6. A designated trustee shall be appointed by the Board President to assist the committee and act as a liaison between the Committee and the Board of Trustees.
7. Annually assess, in cooperation with the business manager, the effectiveness of the committee, and make recommendations to the Board on any needed changes of the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the committee, and make recommendations for improvement of the operation of the Committee.

Adopted__9/15/12_____

COMMITTEE CHARTER

AUDIT COMMITTEE

PURPOSE: To work with external auditors to ensure correct accounting policies are being followed and that a qualified and experienced firm is hired based on their credentials and to keep line of communications open among the Board, auditors and committee members**.**

DURATION: This committee shall have permanent status**.**

APPOINTMENT: This committee shall be the budget committee with one additional member who is not a Surfside Homeowners Association Board or Committee member, or a Surfside Homeowners Association employee. The appointment must be confirmed by the Board of Trustees.

QUALIFICATION: All members of this Committee shall be members in good standing of Surfside Homeowners Association**.**

1. Quarterly review of revenue and expense statements.
2. Quarterly verify bank balances and financial position of Surfside Homeowners Association.
3. Annually review of revenue and expense statements and verify bank balances.
4. Annually make recommendations of hiring external auditors based on credentials.
5. Annually analyze, in cooperation with the Business Manager, the effectiveness of the committee and make recommendations to the Board of any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Positions Descriptions or Operating Procedures within the jurisdiction of the committee and make improvement of the operations of the committee.
6. Prepare written reports to the Board of Trustees.

COMMITTEE CHARTER

BUDGET COMMITTEE

PURPOSE: To develop and present a complete budget covering all the needs and requirements of the Association in accordance with operating procedure #103**.**

DURATION: This committee shall have temporary status**.**

APPOINTMENT: This committee shall have no more than three members at large. The Board Treasurer shall be the Chairperson the Accountant/Bookkeeper and the Business Manager shall be members of this Committee. The Chairperson shall select the remaining members**.**

QUALIFICATION: All members of this Committee shall be members in good standing of Surfside Homeowners Association or paid employees or agents.

1. Collect and collate all information from all Managers, Designated Trustees and Committee Chairpersons whose planning or operations will impact Association funds.
2. Develop and present a budget in conjunction with the computerized accounting program and General Ledger used for the financial reports and statements of the Association.
3. Ensure the complete coordination of all budget items and departments.
4. Submit a list of the names and addresses of all Committee members to the Board Secretary.
5. Submit monthly written reports to the Board of Trustees during the active life of the Committee.
6. A final draft of the proposed budget will be submitted to the Board at the October monthly Board meeting.
7. Annually assess, in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

COMMUNITY RELATIONS COMMITTEE

PURPOSE: To enhance communication among the members, between the board and the members, and between the association and the external community; to provide needed information to new and existing members; to increase member involvement and participation in the community; to plan, implement, and improve activities for members**.**

DURATION: This committee shall have permanent status**.**

APPOINTMENT: The Chairperson of the Community Relations Committee shall be appointed by the President of the Board of Trustees, at the first regular Board meeting following the annual meeting each year, with the advice and consent of a majority of the sitting Board. The Chairperson shall choose the remainder of his/her committee with the approval of the Board. This committee shall have no fewer than three members**.**

QUALIFICATION: The Chairperson and each member of the Community Relations Committee shall be a member in good standing**.**

DUTIES AND RESPONSIBILITIES:

1. The Committee shall have the option to provide input for articles submitted, or topics to be addressed, in Surfside publications, such as the newsletter, weekender and web page. This input is to further the committee's purpose; to enhance communications between members and the board by addressing issues that are relevant. The Committee shall also have the option to review the content of the newsletter before editing and submission to the first print, at a time where additions or deletions can be added.
2. The committee shall plan and carry out other activities in conformance to this Charter.
3. The committee shall hold meetings as the need arises.
   3.1 The committee chair shall determine the day and time.
4. A designated trustee shall be appointed by the Board President to assist the committee and act as liaison between the committee and the Board of Trustees.
5. Annually assess, in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

ELECTION

ELECTION COMMITTEE CHAIRPERSON

Instructions to and qualification for the Election Committee Chairperson.

1. The Election Committee Chairperson shall oversee the entire Election Process.

2. Election Committee Chairperson shall be a member of the Board of Trustees. This requirement can be waived by a majority vote of the sitting Board.

3. The Election Committee Chairperson shall select a Nominating Committee Chairperson and present that name to the full Board of Trustees for appointment in February.

   3.1 This person may be chosen by the Election Committee Chairperson from a list of volunteers or by any other process which is agreeable to the Board.

   3.2 The Election Committee Chairperson shall act as the Designated Trustee and Board adviser to the Nominating Committee.

4. The Election Committee Chairperson shall find and bring forward to the full Board of Trustees a Designated Election Committee Chairperson for the purpose of handling the Management Proxy Voting, Floor Ballots and vote tallying for and at the Annual Meeting. This shall be a paid position under a contract drawn by the Associations Attorney.

5. The Election Committee Chairperson shall act as liaison between the DECC and the Board of Trustees.

6. It shall be the duty of the Election Committee Chairperson to supervise the printing and safe keeping of all Management Proxies and floor ballots until they are mailed or turned over to the DECC.

7. Annually assess, in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

ELECTION - NOMINATING COMMITTEE

PURPOSE: The purpose of the Nominating Committee will be to obtain qualified candidates to run for open positions on the Board of Trustees**.**

DURATION: This committee is of temporary status. The Committee shall operate from February to July of each year**.**

APPOINTMENT: The Nominating Committee Chairperson shall be selected by the Election Committee Chairperson, and appointed by the Board of Trustees at the regular Board meeting in February. The NCC will then select at least three qualified members in good standing of the Surfside Homeowners Association to serve on the Committee**.**

DUTIES AND RESPONSIBILITIES OF THE NOMINATING COMMITTEE CHAIRPERSON AND NOMINATING COMMITTEE

1. The NCC and Nominating Committee shall consult and update the ECC on all actions taken by the Committee
2. The NCC shall call as many meetings of the committee as needed to successfully complete their charter
3. The Committee shall solicit and/or obtain the names of Surfside Homeowners Association members who may wish to serve on the Board of Trustees. It shall be the duty of the NCC to validate all applications submitted for consideration. (This shall be done in conjunction with Surfside Homeowners Association office personnel)
4. The Committee will interview all potential candidates. The committee will inform the potential candidates of the obligations and work load required of Board candidates. Interviews will be closed to all persons except the Nominating Committee, the candidate, and the ECC
5. The Nominating Committee shall submit all valid applications to the Board of Trustees
6. A brief synopsis of each candidate shall be prepared, by the committee, using the resume and results from the committee review
7. The synopsis along with the application, resume, and Candidates statement will be presented to the Board of Trustees at the regular Board Meeting in May
8. Annually assess in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

**** SAMPLE ****

BOARD OF TRUSTEE CANDIDATE APPLICATION

The purpose of this application is to give you, the candidate, a forum to express your willingness to serve on the Surfside Homeowners Association Board of Trustees, and to list your reasons and qualifications, via resume, to do so. Our Association requires that you be a "Member in Good Standing" (membership dues paid in full) of Surfside Homeowners Association, and that you have a real desire to make our Association and community a better place for all our members.

NAME: _____

ADDRESS: _____

TELEPHONE: _____ (home) _____ (work)

DIVISION _____ BLOCK _____ LOT _____

- Submit a resume including your special skills, abilities, and experiences that you feel would make you an asset to the Association.
- Submit a short Candidate Statement, no more than 75 words, to be given to the Board of Trustees and to be used in the Surfside Homeowners Association newsletter, etc. If the Candidate Statement is over 75 words, the Nominating Committee has the right to edit to the correct amount of words. The Candidate has final approval over what is in the Candidate Statement.
- As part of the nominating process, you will be asked to meet with the nominating committee for a personal interview. At this interview you will be asked your reasons for running for the Board, and some of the requirements and limits imposed on trustees will be explained to you At the end of the interview, a snapshot will be taken to be used on a Candidate Poster to be displayed in the Surfside Homeowners Association lobby.
- You will receive an agenda of events, given a current Surfside Homeowners Association handbook, and asked to participate in some local activities to meet the Surfside Homeowners Association members you will be serving.

BY MY SIGNATURE BELOW, I CERTIFY THAT ALL INFORMATION GIVEN IN MY RESUME, CANDIDATE STATEMENT, AND APPLICATION IS ACCURATE AND TRUTHFUL.

CANDIDATE'S SIGNATURE:

_____

Thank you for your interest in running for the Board and for supporting the Association. Your Application, Resume, and Candidate's Statement is to be submitted by the first Monday in May.

DATE: _____ please return application, resume and Candidate's Statement to the Surfside Homeowners Association office, either in person or by mail:

Surfside Homeowners Association
ATTENTION: Nominating Committee
31402 H Street
Ocean Park, WA 98640

Revised 3-16-13

_____

****DO NOT WRITE BELOW LINE NOMINATING COMMITTEE USE****

DATE/TIME RECEIVED IN SURFSIDE HOMEOWNERS ASSOCIATION

OFFICE_____

MEMBERSHIP VERIFIED: _____ BY: _____ (initials)

DATE VERIFIED: _____

APPLICATION received _____

RESUME received _____

STATEMENT received _____

Candidate Statement accepted by Candidate

_____
(Candidate signature)

**** SAMPLE ****
CANDIDATES INFORMATION SHEET
AND
AGENDA OF EVENTS

1. Complete and submit Candidate Application, Resume, and Candidate Statement to Surfside Homeowners Association before by the first Monday in May, by 10 a.m. .

2. The Nomination Committee will review your application, resume, and candidate statement.

3. You will be called and an appointment time set up for an interview with the Nomination Committee.

4. At the interview the Nomination Committee will ask you a few basic questions and acquaint you with the responsibilities of being a Board Trustee.

5. You will be asked to sign at the place indicated on the application form for you approval of the candidate statement.

6. A photograph of you will be taken at the end of the interview. This photograph will be used for a candidates' poster that is displayed in the Surfside Homeowners Association office.

7. You will receive a current copy of the Surfside Homeowners Association Articles of Incorporation, Bylaws, Operations Manual and Covenants to bring you up-to-date on the operations of Surfside Homeowners Association.

8. The placing of all candidates' names on all election material will be done by a random draw.

9. You will be asked to participate in Surfside Homeowners Association events. An identification tag, as a Board candidate will be made for you to wear at these events.

All Candidates will be introduced to the setting Board of Trustees at the Regular Board Meeting in May.

Meet the Candidates' afternoon will be an informal gathering of interested members. This event will be held immediately following the Regular Board Meeting in June and will be moderated by the Nomination Committee Chairperson. You will be introduced and asked to give a short talk on why you want to be a Board Trustee, and the skills you have for the position. The members will be the opportunity to ask you questions.

Candidates will be introduced at the Annual Meeting before the voting process takes place.

** SAMPLE **
INTERVIEW QUESTIONS
FOR BOARD OF TRUSTEE CANDIDATES

Candidate _____

Date interviewed _____

1. Why do you want to be a Trustee?

_____
_____

2. Do you plan to attend *at least 60% of* the Trustee meetings as follows:
   A. Regular business meetings, third Saturday of the month?
   _____
   B. Special meetings called by constituted authority?
   _____

3. Do you think a trustee can adequately represent the *property owners* if he or she has 3 consecutive non-excused absences from the regular monthly meetings?

_____
_____

4. All Board members will be assigned to oversight committees such as: Water Department Trustee, Sheriff Patrol Trustee, Surfside Homeowners Association Office Trustee and other designated assignments including Trustee advisor to member committees. You may be elected to serve as President, Vice-President, Secretary or Treasurer. Are you willing to accept this responsibility?

_____

5. There is a conflict of interest clause on the books of SURFSIDE HOMEOWNERS ASSOCIATION. Have you read it and would you have a problem excusing yourself from participation if a conflict of interest came up?

_____
_____

6. Except when Board authorization is obtained, there is no travel allowance, are you willing to serve under this condition?

_____
_____

7. Offices held in other organizations (optional)

_____
_____

Additional Comments (if any):

_____
_____

Interviewed by:

_____ _____

Revised 3-16-13

COMMITTEE CHARTER

ELECTION

DESIGNATED ELECTION COMMITTEE CHAIRPERSON

PURPOSE: It is the responsibility of the Designated Election Committee Chairperson (DECC) to insure a fair and impartial election, and that the election process adheres to the guidelines set out in the Articles of Incorporation, By-laws and Operating Procedure #101

DURATION: This is a temporary paid position. The position shall be filled at the regular May Board meeting and shall terminate when all election results and reports are presented to the full Board of Trustees**.**

APPOINTMENT: The DECC shall be hired by the Board of Trustees at the May regular Board meeting. The names of candidates for DECC shall be brought forward by the Election Committee Chairperson. The person hired shall be paid according to the contract drawn by the association attorney**.**

QUALIFICATION: The DECC shall have no affiliation with the Surfside Homeowners Association, nor be related to any Board member or candidate for office. The DECC should have previous election experience whenever possible. The DECC shall be of reputable character, bonded and totally impartial**.**

1. The DECC shall coordinate all activities with the Election Committee Chairperson.
   1.1 The DECC shall use the Election Committee Chairperson as his/her liaison to the Board of Trustees.
   1.2 The DECC shall have complete autonomy regarding all aspects of the Management Proxy and Floor Ballot voting and tabulation of results and the reporting of said voting.

2. The DECC shall adhere to all Election procedures as set out in the Articles of Incorporation, the By-Laws and Operating Procedure #101.

3. The DECC shall oversee the function and operation of the Registration Committee.
   3.1 The Registration Committee shall be composed of Surfside Homeowners Association office personnel and those others deemed necessary by the DECC.

4. The DECC shall hire other people for his/her committee that are deemed necessary by the DECC to complete the Committee Charter. These other people shall be paid by the Association as per a prior agreed upon hourly rate negotiated with the DECC and the Board of Trustees.

5. The DECC shall be supplied with a copy of Operating Procedure #101, a copy of the Committee Charter and a copy of the Surfside Homeowners Association Articles of Incorporation and By-Laws, and any other material needed by the DECC to complete his/her assigned duties.

6. Annually assess in cooperation with the Business Manager, the effectiveness of the function and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

ELECTION

REGISTRATION COMMITTEE

PURPOSE: To facilitate the efficient and effective registration of members for elections and meetings where registration is required**.**

DURATION: This Committee shall be appointed and terminated on an as needed basis. In the case of the annual membership meeting, the Committee shall be organized in June and terminated at the conclusion of the annual meeting**.**

APPOINTMENT: The Registration Committee shall be comprised of the office personnel of Surfside Homeowners Association, and any others deemed necessary by the DECC. These extra people shall be either members in good standing of Surfside Homeowners Association or the hired assistants of the DECC**.**

1. The Registration Committee will report to and be directed by the DECC and/or the Election Committee Chairperson.

2. The Registration Committee shall take no action that would put the Committee in conflict with the rules and regulations set out in the Articles of Incorporation, the By-Laws, or Operating Procedure #101, or instruction issued by the DECC or the Election Committee Chairperson.

3. The Responsibility and Duties of the Registration Committee shall be as follows;
   - 3.1 To establish and organize all the records and paper work necessary to effectively and efficiently check the eligibility of and to register qualified members of the Surfside Homeowners Association in the allotted time prior to the Annual Membership Meeting or other designated election or function.
   - 3.2 To ensure that all needed information and material is available at the designated time and place of the Annual Meeting or other election or function. It shall also be the responsibility of the Registration Committee to ensure that all of the said material and records are collected and returned to the Surfside Homeowners Association office.
   - 3.3 To assist the DECC, the Election Committee Chairperson and the Board Secretary as needed or directed.

4. Annually assess in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

EXECUTIVE COMMITTEE

PURPOSE: To formulate decisions or plans necessary to handle situations of an immediate nature which do not allow for a timely convening of the full Board of Trustees and/or to handle sensitive employee or employment problems and legal issues**.**

DURATION: This Committee shall have permanent status**.**

APPOINTMENT: This committee shall be comprised of the elected officers of the Board of Trustees; i.e.: President, Vice-President, Secretary and Treasurer**.**

QUALIFICATION: Duly elected officers of the Surfside Homeowners Association**.**

1. The President of the Board of Trustees shall be the Chairperson of the Executive Committee.
2. Meetings of this committee shall be called at the discretion of the chairperson or two or more of the committee members.
3. Minutes of all committee meetings shall be kept and a report of all meetings shall be given at the next regular Board meeting. **
4. Any action or formal acceptance of any recommendations shall be placed in the minutes of the next regular Board meeting. **
5. Meetings may be partially or wholly telephonic depending on the nature of the subject requiring committee action.
6. Annually assess in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

** NOTE: Action taken at Executive Committee meetings that deal with employment, employee or legal/financial problems shall be handled according to the Revised Code of Washington (RCW – 64.38.035(2)) pertaining to these matters.

COMMITTEE CHARTER

FISH AND WATERWAY MANAGEMENT COMMITTEE

PURPOSE: To develop and implement plans for effectively and efficiently managing the waterways of the Association for the overall good of its members; To protect the waterways from pollution; To promote waterways which are useful for fishing, small boating, and other beneficial uses; To provide for the control of weeds, undesirable fish, and other conditions which interfere with the members' enjoyment of our waterways; To purchase and oversee the planting of trout and grass carp in surfside waters as requested and authorized by the Board of Trustees; The Committee is further charged with the development and upgrading of the Association fish program**.**

DURATION: This Committee shall have temporary status**.**

APPOINTMENT: The Committee shall be composed of two or more members. The Chairperson of this Committee shall be appointed by the President with the approval of the Board of Trustees. The Chairperson shall then appoint the other member/members of the Committee, which may include a Surfside Homeowners Association staff member.

QUALIFICATION: The Chairperson and all Committee members shall be members in good standing of Surfside Homeowners Association**.**

1. Meetings of the Committee shall be called by the Chairperson at his/her discretion as often as necessary to fulfill the Committee Charter.
2. Develop and recommend to the Board, through the Business Manager, a plan for effectively and efficiently managing the waterways of Surfside Homeowners Association for the benefit of its members, preventing pollution, enhancing beneficial uses, and controlling conditions which unreasonably interfere with members' enjoyment of our waterways.
3. Keep the Board apprised, through the Business Manager, of any fish and waterway management problems. All reports must be in writing.
4. Prepare a fish and waterway management budget each year in September, and submit this budget to the Water/Field Services Superintendent for inclusion in his/her annual budget request.
5. Keep the Board Secretary advised of the names and addresses of all committee members.6. Ensure that current community fishing regulation signs are posted and maintained.
6. Annually assess in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

FISHING DERBY COMMITTEE

PURPOSE: To coordinate the annual "kid's fishing derby".

DURATION: This Committee shall have temporary status**.**

APPOINTMENT: The Committee Chairperson shall be appointed by the President with the approval of the Board. The Committee shall have no less than three members. The Committee Chairperson shall select the members of his/her Committee. This Committee will be activated at the February regular Board meeting**.**

QUALIFICATION: All members of this Committee shall be members in good standing or an employee of Surfside Homeowners Association**.**

1. Meetings of this Committee shall be called at the discretion of the chairperson as required to fulfill this charter.
2. The Chairperson of this Committee shall coordinate with the Chairperson of the Fish Management Committee and the Water/Field Services Superintendent.
3. All expenditures will be coordinated with the Accountant/Bookkeeper through the Business Manager.
4. The Chairperson shall submit to the Board Secretary a list of the names and addresses of all Committee members.
5. The Committee shall be responsible for the following;
   - 5.1 Recruiting volunteers from Association members to handle;
     - 5.1.1 Derby registration
     - 5.1.2 Fish measurement
     - 5.1.3 Preparation and distribution of refreshments
     - 5.1.4 Procurement and distribution of prizes
     - 5.1.5 Photographing the event
     - 5.1.6 Mapping of fishing sites and assigning adult supervision to ensure compliance with derby rules
   - 5.2 Publicity for the event
     - 5.2.1 Posters and sign-up sheets for office
     - 5.2.2 Article for Association Weekender and Newsletter publications.

6. Annually assess in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

INSURANCE COMMITTEE

PURPOSE: To ensure that all the insurance requirements as set forth by the Board policy are fully implemented and current**.**

DURATION: This Committee shall have temporary status**.**

APPOINTMENT: The Chairperson of this Committee shall be appointed by the President, with the approval of the Board of Trustees. The Committee shall have no fewer than two, nor, more than three members. One member of this committee shall be a Board member**.**

QUALIFICATION: All members of this Committee shall be members in good standing of Surfside Homeowners Association.

1. Meetings of this Committee shall be called at the discretion of the Chairperson as needed to fulfill this charter.
2. Coordinate insurance coverage with Board Policy, Indemnification and Insurance.
3. Obtain three bids, if possible due to coverage needs, on renewable policies well in advance of renewal date (check with the Accountant/Bookkeeper for the renewal dates of all policies)
4. Submit bids and a written recommendation to the Board of Trustees for final selection.
5. Obtain additional insurance coverage as needed for Association vehicles and property.
6. Oversee the insurance files in the business office.
   - 6.1 Master authorized vehicle operators list
   - 6.2 Claim forms
   - 6.3 Billings and payment records
7. Submit estimate of insurance to Budget Committee in September of each year.
8. Submit annually a list of Committee members' names and addresses to the Board Secretary.
9. Annually assess in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

INVESTMENT COMMITTEE

PURPOSE: To develop an investment plan and make recommendations to the Board of Trustees for the secure investment of Association funds**.**

DURATION: This Committee shall have temporary status**.**

APPOINTMENT: This Committee shall have no fewer than two members nor more than four. The Board Treasurer shall be the Chairperson of this Committee. The Accountant/Bookkeeper shall also be a member. Any additional members may be appointed by the Chairperson**.**

QUALIFICATION: All members of this Committee shall be members in good standing or a paid employee or agent of Surfside Homeowners Association. Members with strong financial background preferred**.**

1. Meetings of this Committee shall be called at the discretion of the chairperson as needed to fulfill this charter.
2. Bi-monthly meetings shall be held to review all investments and deposits.
3. Develop an investment plan which is not in conflict with "Board Policy" dealing with investments. (See Board Policy section, "Investment")
4. Submit annually a list of committee member's names and addresses to Board Secretary.
5. Present a written report to the Board of Trustees at regular or special Board Meetings as requested.
6. Annually assess in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

LAND AND BUILDINGS COMMITTEE

PURPOSE: Prepare short term (one year) and long term (five year) plans for Surfside land and buildings use and maintenance and repair of Surfside land and buildings and in cooperation with the Water System Planning Committee prepare, maintain, and update the Washington State required reserve study.

DURATION: This Committee shall have permanent status**.**

APPOINTMENT: This Committee shall have at least three members, one of which shall be a member of the Board of Trustees. The Committee Chairperson and the trustee shall be appointed by the President, with the approval of the Board. The Chairperson shall select the remaining members of the Committee**.**

QUALIFICATION: All members of this Committee shall be members in good standing or employees or agents of Surfside Homeowners Association**.**

1. Meetings of Committee shall be called by the Chairperson, at their discretion, as required to fulfill this charter.
2. The Committee shall investigate any proposed purchases or listing for sale of Surfside land or buildings and report their findings of the investigation to the Board of Trustees.
3. The Committee shall create and maintain a complete physical inventory of all Surfside properties and buildings. The inventory record will be filed in Surfside's business office and the Business Manager will control custody of the inventory record. The inventory will be updated each December and presented to the Board of Trustees at their January regular meeting for approval and adoption.
4. The Committee will prepare a financial plan each year and present the plan to the Budget Committee at their initial Budget Committee meeting for use in preparing Operations and Capital Improvement budgets.
5. The Chairperson of the Committee will provide a written report, when requested to do so by the Board of Trustees.
6. The Chairperson of the committee will submit annually a list of all members of this Committee to the Board Secretary.
7. The Committee will annually assess, in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

POLICY & PROCEDURES COMMITTEE

PURPOSE: Review, rewrite, alter or initiate new documentation at the request of the Board of Trustees. Assure complete coordination of new or revised copy presented to the Board at a special or regular Board meeting**.**

DURATION: This Committee shall have temporary status. It shall meet at the direction of the Board, when required, to up-date, review, changes or additions of this Policy and Procedures (Operations) Manual**.**

APPOINTMENT: The Chairperson of this Committee shall be appointed by the President of the Board of Trustees, with the approval of the Board. The President shall appoint a designated trustee to oversee and act as liaison between the Committee and the Board. The Designated Trustee shall be a member of the Committee. The other members of the Committee (committee total membership of no less than three nor, more than five) shall be selected by the Committee Chairperson.

1. The duties and responsibilities of this committee are as follows;

    1.1 Review all changes and purposed changes in this manual to insure that these changes conform to existing policy and the Articles of Incorporation, Bylaws and Restrictive Covenants of the Association.

    1.2 Upon review of changes or purposed changes a written report shall be submitted to the Board of Trustees reflecting the committee findings or recommendations.

2. The Business Manager or his designee shall note and copy all changes voted upon by the Board of Trustees and shall ensure that the appropriate changes are placed in all existing manuals.
3. Submit annually a list of committee member's names and addresses to the Board Secretary.
4. Annually assess in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

WATER/FIELD SERVICES COMMITTEE

PURPOSE: Formulate short term (one year) and long term (five years and longer) project plans covering all aspects of the Surfside water supply, Surfside water distribution system and maintenance and repair of all Surfside lands and buildings.

DURATION: This Committee shall have permanent status**. (Inactive at this time)**

APPOINTMENT: This Committee shall have three or more members and shall report directly to the business manager. The Committee Chairperson shall be appointed by the Board President, with the approval of the Board of Trustees. The Water/Field Services Superintendent shall be a member of this Committee. The Designated Trustee for the Water/Field Services Department shall also be a member of the Committee. The Committee Chairperson shall select the remaining members of his/her Committee**.**

QUALIFICATION: All members of this Committee shall be members in good standing of Surfside or employees of the Association**.**

1. Meetings of this Committee shall be called by the Chairperson at his/her discretion as required to fulfill this charter.
2. Work closely with the Water/Field Services Superintendent and the Water Superintendent to monitor the water quality, supply and distribution system.
3. Work with the Water/Field Services Superintendent and the Water Superintendent to implement inventory, maintenance and improvement plans for all Surfside lands and buildings as necessary to preserve the designated assets.
4. Work with the Water/Field Services Superintendent and the Water Superintendent in developing the budget for improvements and long term expansion and repair of all Water/Field Services facilities.
5. Prepare and present a written report to the Board of Trustees at the regular monthly meetings.
6. Work in coordination with the Water System Planning Committee and Land and Building Committee as necessary.
7. Supply annually a list of the names and addresses of all Committee members to the Secretary to the Board.
8. Annually assess in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

COMMITTEE CHARTER

WATER SYSTEM PLANNING COMMITTEE

PURPOSE: Prepare, maintain and update the Department of Health required comprehensive water system plan and in cooperation with the Lands and Building Committee prepare, maintain, and update the Washington State required reserve study.

DURATION: This Committee shall have permanent status.

APPOINTMENT: This Committee shall have a minimum of five members. The Committee Chairperson shall be appointed by the Board President, with the approval of the Board of Trustees. The Water System Manager shall be a member of this Committee. The Designated Trustee for the Water System and the Field Services Department shall also be a member of the Committee. The Committee Chairperson shall select the remaining members of their Committee.

QUALIFICATION: All members of this Committee shall be members in good standing of Surfside, employees or agents of the Association.

1. The Committee meetings shall be called by the chairperson, at his discretion, as required to fulfill this charter.
2. The Committee will work with the Water System Manager to monitor the water quality and condition of the supply and distribution system.
3. The Committee will work with the Water System Manager to inventory all stock materials, water system infrastructure, tools, vehicles and equipment annually and report the condition of inventory to the Board of Trustees at their January regular meeting.
4. The Committee will prepare a financial plan each year and present the plan to the Budget Committee at their initial Budget Committee meeting for use in preparing Operations and Capital Improvement budgets.
5. The Committee will cause a written report be prepared and presented at each regular meeting of the Board of Trustees. The report will be presented by the Water System Manager.
6. The Committee will coordinate efforts with the Land and Buildings Committee as needed.
7. The Committee will maintain a list of the names and addresses of all Committee members and submit a copy of the list to the Secretary to the Board at the January regular meeting of the Board of Trustees.
8. The Committee will annually assess, in cooperation with the Business Manager, the effectiveness of the Committee, and make recommendations to the Board on any needed changes to the By-Laws, Covenants, Board Policies, Committee Charters, Position Descriptions or Operating Procedures within the jurisdiction of the Committee, and make recommendations for improvement of the operation of the Committee.

Revised: February 16, 2013

OPERATING PROCEDURE #101

ELECTIONS

This Operating Procedure is written to set out the step by step procedure for handling all elections conducted by the Surfside Homeowners Association, including but not limited to, the election of new members of the Board of Trustees at the Annual Meeting.

1. Board of Trustee Action
   - 1.1 The President shall appoint, subject to Board approval an Election Committee Chairperson (ECC) at the January Regular Board Meeting.
     - 1.1.1 ECC will be a current member of the Board of Trustees.
     - 1.1.2 This requirement may be waived by a majority vote of the sitting Board of Trustees.
   - 1.2 The Board will appoint a Nominating Committee Chairperson (NCC), with the recommendation of the ECC, at the February Board Meeting.
   - 1.3 The Board will hire a Designated Election Committee Chairperson (DECC), with the recommendation of the ECC, at the May Board Meeting.

2. Responsibilities of ECC
   - 2.1 ECC shall have complete oversight of all election procedures and will act as liaison between all election committees and the Board of Trustees.
   - 2.2 ECC will appoint a Nominating Committee Chairperson with the consent of the Board of Trustees at the February Board Meeting. (See ECC Committee Charter)
   - 2.3 ECC will find and present to the Board of Trustees a Designated Election Committee Chairperson at the May Board Meeting. This person will be hired by a vote of the Board of Trustees. (See DECC Committee Charter)
   - 2.4 ECC shall supervise, and be responsible for, the printing and safekeeping of all Management Proxy forms and Floor Ballots.

3. Nominating Process
   - 3.1 This process shall be conducted by the Nominating Committee Chairperson (NCC) with oversight of the ECC.
   - 3.2 The NCC shall conduct his/her action in accordance with the NCC Committee Charter.
   - 3.3 Nomination of candidates for Board of Trustees
     - 3.3.1 Full Term: Article IV, Section 2, of the Surfside Homeowners Association By-Laws states: “Trustees shall be elected to serve for three years or until their successors are elected and duly qualified.”
     - 3.3.2 Partial Term: Article IV, Section 7, of the Surfside Homeowners Association By-Laws states:
       “Any vacancy on the Board of Trustees shall be filled by appointment by the majority of the remaining Trustees. The Person so appointed shall hold office until the next annual meeting of the members of the corporation, at which annual or adjourned annual meeting, the

vacancies for the remainder of the original terms, if any, shall be filled by election by the members in the regular manner."

3.3.3 The appointed Trustee, if he/she desires, may be a candidate for the full term position at the next election (Annual Meeting).

4. Designated Election Committee Chairperson

4.1 The DECC shall conduct the Election Process in accordance with the DECC Committee Charter, with oversight by the ECC.

4.2 The DECC shall be hired by the Board of Trustees as per a written contract drawn by the Association Attorney.

5. Handling and Control of Management Proxies, Floor Ballots and Association records prior to Annual Meeting.

5.1 Management Proxies and Floor Ballots

5.1.1 The ECC, with help from the Accountant/Bookkeeper, shall take delivery of all printed Proxies and Floor Ballots and shall be responsible and accountable for their control and safekeeping until they are mailed to the membership or, in the case of the floor ballots, turned over to the DECC.

5.1.2 There shall be a mailing each year in June to all members of record to announce the Annual Meeting. This mailing shall include the time and place of said meeting as well as a Proxy Form and a self addressed return envelope. (Return address shall be that of the DECC)See note #1

5.1.3 Upon the receipt of returned Proxies the DECC shall convene his/her hired staff and shall proceed with the following tabulation and verification procedure:

5.1.3.1 Verify authenticity of the Management Proxy (M.P.)

5.1.3.2 Register the receipt of returned verified proxies on the Master Members List. (Computer printout supplied by Surfside Homeowners Association office) No M.P. shall be counted or otherwise considered which is received after the cutoff date stated on the Proxy Form. No Proxy shall be counted or considered if it has been altered in any way.

5.1.3.3 DECC shall count and collate all Proxies returned. A tally shall be kept of all items listed on the Proxy.

5.1.3.4 No cumulative voting shall be allowed.

5.1.3.5 After counting all valid Proxies, all Proxies and Tally Sheets shall be placed in a safe container for storage and transport to the Annual Meeting.

6. Registration for Annual Meeting

6.1 The Registration for the Annual Meeting will be handled by the Registration Committee in accordance with the Committee Charter set forth in this manual.

6.1.1 Registration shall begin at 8:00 AM the morning of the Annual Meeting and shall continue until all eligible members have been permitted to

enter the meeting. Registration shall not be terminated before 9:45 AM.

6.1.2 The Annual Meeting shall be called to order at exactly 10:00 AM.

6.1.3 It shall be the duty of the Registration Committee to return all records to the Association office at the conclusion of the Annual Meeting.

7. Declaration of a Quorum

7.1 It shall be the duty of the Secretary of the Board of Trustees, in conjunction with the DECC to report to the President of the Board that a quorum is present at the Annual Meeting

7.1.1 In compliance with Article V, Section 3, ten (10) per cent of the members shall represent a quorum. The actual count in determining a quorum will be the number of valid Proxy Forms returned to the DECC, added to the number of members attending the Annual Meeting in person (NOTE: In the absence of a quorum, no business or election can be valid.)

8. Control of Management Proxies and Floor Ballots at Annual Meeting

8.1 All Proxy forms and Floor Ballots shall be brought to the Annual Meeting by the DECC and his/her staff.

8.2 Members in good standing who are not recorded on DECC Master List as having voted by Proxy, shall be issued a floor ballot identical to the Proxy except identified by a different colored paper. In addition, they may be issued a colored voting slip for use in voting for issues other than those covered by the Ballot.

8.2.1 A member who previously mailed his/her Proxy to the DECC, but now wishes to vote in person, may request the return of said proxy. His/her Proxy shall be removed from the Held Proxy File by the DECC, subtracted from all the tally counts and destroyed. A Floor Ballot will then be issued to the member in lieu of his/her Proxy.

8.3 When Registration is complete and a quorum has been declared, the DECC shall present to the Proxy Holder, the total number of Proxies that member is authorized to vote during the voting process. Recipient of each Proxy must affix his/her signature to each Proxy as having received same.

8.3.1 Designated Proxy Holders shall be furnished a Floor Ballot for each Proxy they receive.

8.3 The nominees with highest vote count shall be awarded Trustee three (3) year terms. All others, in order, shall be awarded Trustee positions of shorter terms in sequence.

8.4 Prior to floor balloting, the DECC shall be introduced to the Membership.

8.5 All candidates for office shall be introduced to membership.

8.6 Association President shall call for any nominations from the floor.

8.6.1 Introduction of any floor candidates.

8.6.2 Any floor-nominated candidate must be present at the Annual Meeting to accept the nomination and be introduced, or have indicated in writing to the business office by 5:00 p.m. on the Friday prior to the Annual Meeting that if nominated he or she will accept.

8.7 After floor balloting the DECC and his/her staff shall collect all ballots cast.

8.8 When all floor ballots have been counted, a certified tally sheet shall be prepared, dated and signed by the DECC. The tally sheets from the mail-in proxy and that of the floor ballot voting shall then be combined into a Final Combined Tally Sheet showing the results of the election. This Final Combined Tally Sheet shall then be signed, dated and certified by the DECC.

8.8.1 If on the Final Combined Tally Sheet, candidates for election are separated by less than one-half of one per cent, the DECC will undertake an immediate recount of votes affecting those persons only.

8.8.2 In the case of ballot issues not related to office holders, i.e.; funding, building, etc., a recount of votes will be limited to the issue/issues involved only.

8.8.3 The nominees with highest vote count shall be awarded Trustee three (3) year terms. All others, in order, shall be awarded Trustee positions of shorter terms in sequence.

8.9 Two copies of the Final Combined Tally Sheet shall be prepared and certified by the DECC. One copy shall be presented to the Board Secretary to report and certify the results of the election. The second copy will be used by the DECC to report the election results to the membership. The Board Secretary's copy of the certified election result shall be placed in the Surfside Homeowners Association Office security vault with all proxies, floor ballots and tally sheets of the election until ordered destroyed by the Board of Trustees after four (4) years.

8.9.1 The DECC shall hold the proxies, floor ballots and tally sheets in his/her possession and shall be responsible for their safekeeping until turned over to the Secretary of the Board of Trustees.

SPECIAL INSTRUCTIONS TO DECC:

1. Coordinate with ECC to insure that a Post Office box has been rented to facilitate the mail-in management proxies. This Post Office box must be rented before the management proxies are printed or mailed.
2. Receive, verify, tabulate and provide a final tally of all mail-in proxies.
3. Keep an alphabetical file on all returned mail-in proxies.
4. Verify with Surfside Homeowners Association office all current changes in the Master Membership List.

SPECIAL NOTES

NOTE #1. Mailing of Annual Meeting notice and management proxy forms shall be at least twenty (20) days prior to the date of the Annual Meeting. **OPERATING PROCEDURE**

OPERATING PROCEDURE #102

LIENS AND FORECLOSURES

The Board of Trustees has adopted this Lien and Foreclosure policy to facilitate the consistent and fair collection of delinquent accounts. It is the responsibility of the Accountant/Bookkeeper to initiate the process according to the guidelines set forth in this Operating Procedure. The actual foreclosure process shall be handled by the Association Attorney. However, failure to follow this policy will not constitute a defense in any action brought by the Association against a member to foreclose the Association's lien and/or to collect any amount owed to the Association nor, in any way, invalidate or otherwise affect any action taken by or on behalf of the Association.

1. Lien Action

    1.1 Accounts delinquent as of August 1st of each year shall be sent an "Intent to Lien" form letter by Certified Mail.

    1.2 Accounts still delinquent as of September 1st shall have a Lien filed against the delinquent owner's property.

2. Foreclosure Action

    2.1 Accounts remaining delinquent for a period of two (2) years shall be sent a "Notice of Intent to Foreclose" letter by registered mail.

    2.2 Accounts which remain unpaid thirty (30) days after the mailing of the "Notice of Intent to Foreclose" letter shall be turned over to the Association attorney for foreclosure action.

    2.3 The Association Attorney has authority to collect a judgment in any way allowed by law, except that the Association Attorney may not pursue sale of a member's lot in Surfside or other subdivisions over which the Association has authority, unless that action is approved by the Trustees.

    2.4 All legal fees and court costs shall be paid by the delinquent property owner.

3. County Tax Foreclosures

On a case by case basis, the Trustees may authorize either of the following actions when, after consultation with the Association Attorney, they determine that it is in the best interest of the Association to do so:

    3.1 Pay amounts due Pacific County, and/or other taxing authorities, to prevent property subject to the Association's lien being sold for unpaid property taxes or other governmental assessments.

    3.2 Bid at the County foreclosure sale to attempt to acquire property subject to the Association's lien. The Trustees shall establish the maximum bid amount in their authorization to bid.

OPERATING PROCEDURE #103

BUDGET DEVELOPMENT

This operating procedure is written to provide a set procedure for the initiation, development and adoption of the yearly operating budget of the Surfside Homeowners Association. This process shall be in full compliance with Board Policy - Budget Process and Washington State Laws.

1. The Budget Committee shall be formed at the August regular Board meeting ~~of~~ each year. The Committee shall consist of the Board Treasurer, who shall act as the Committee Chairperson, the Accountant/Bookkeeper, the Business Manager and no more than three additional members who shall be appointed by the Committee Chairperson.
   - 1.1 The Budget Committee Chairperson shall meet with the Board of Trustees after the August regular Board meeting to review employee wages, benefits and other issues pertinent to the budget process. Department and committee heads shall utilize information obtained from this meeting when preparing budget proposals prior to the September Board meeting.

2. The following Department Heads and/or Designated Trustees and Committee Chairpersons shall submit preliminary budgets through the Business Manager to the Budget Committee Chairperson no later than the regular September Board meeting. These budgets shall cover all expenses needed for the up-coming fiscal year. Separate budgets shall be submitted for operating expenses, and capital improvements.
   - 2.1 Water/Field Services Superintendent
   - 2.2 Accountant/Bookkeeper
   - 2.3 Committee Chairpersons/Designated Trustees of committees who expect to expend Association funds:

3. The Budget Committee shall prepare an operating budget and a capital expenditure/reserve funds budget from the input from all the above named sources along with the computerized year to date financial statements provided by the Association business office and the audited financial statements of the prior fiscal year.

4. The Budget Committee shall present a final draft of the proposed budget at the October regular Board meeting for Board approval.
   - 4.1 Budget must be accepted or rejected at this meeting.
   - 4.2 Accepted proposed budgets will be printed and a special membership meeting for budget approval shall be scheduled.
   - 4.3 All members shall be mailed a summary budget letter and a proxy ballot, informing the membership of the time, date and place of the special

budget meeting and giving voting instructions for those wishing to vote by proxy.

4.3.1 The meeting shall be no sooner than fourteen (14) days nor more than thirty (30) days from the date of the mailing.

4.3.2 Members attending the budget meeting and those voting by proxy, shall vote on the acceptance or rejection of the adopted budget.

4.3.3 Budgets which fail to receive a majority negative vote shall be considered ratified as stated in the Revised Code of Washington (RCW), Section 64.38.025.

4.3.3.1 The budget committee may present a new budget using the same process listed above.

4.3.3.2 If no new budget is ratified, the previous year's budget shall govern assessments and spending in the next fiscal year or until a new budget is ratified by a vote of the membership as stated in RCW Section 64.38.025.

5. Budget development shall be made considering long range plans and needs of the Association. A five (5) year plan should be the goal of these considerations.

6. All budget and budget development procedures shall conform to the guidelines outlined in the Washington State Laws regarding Homeowners Associations, which is specifically defined in the Revised Code of Washington (RCW) Section RCW 64.38.

OPERATING PROCEDURE # 104

ARCHITECTURAL COMMITTEE OPERATION

This operating procedure is written to set out the step by step procedure the Surfside Homeowners Architectural Committee shall use in the performance of their charter. This procedure shall be followed in all actions taken by the committee and all its members. The Chairperson shall be responsible to see that this operating procedure is followed as written.

1. **Committee Duties**: Determine that all plans submitted for approval conform to all the Association Bylaws and Covenants/Architectural Guidelines.

1.1 Chairperson

1.1.1 Preside at all Committee meetings,

1.1.2 Determine that all plans are submitted with the proper forms and the correct number of copies,

1.1.3 Verify that all forms and paper work is completed at all steps during the approval process,

1.1.4 Submit a written Committee Action report at the monthly Board Meeting.

1.1.5 Architectural Committee complaints will be referred to the covenants compliance designee

1.2 Vice-Chairperson

1.2.1 Assume all duties of Chairperson in his/her absence.

1.2.2 Verify that at the end of the building process, or at the Two (2) year time frame, that the inspection process is completed and the proper action is taken or the proper report is filed. Process to be done on a monthly basis

1.3 Committee Members

1.3.1 Review all submitted building, or other plans,

1.3.2 Determine that all plans meet Association covenant requirements,

1.3.3 Visit property sites to determine decisions to be rendered on all requests for approval of plans which are questionable or unusual due to location or type of construction.

1.3.4 Requests for opinions by interested parties will not be addressed outside of an official meeting: interested parties will be advised to attend the next regular meeting or submit a written request for an opinion

1.3.5 Property may be visited by the committee if so instructed by the committee chairperson or inspection committee.

2. **Official Meeting Requirements**:

2.1 Meetings shall be held on a weekly basis, time and day to be determined
by the Chairperson. Time and day will remain constant unless unusual

circumstances dictate otherwise. Time and day of meetings shall be posted in the business office.

2.2 Special meetings may be called by the Committee Chairperson.

2.3 A regularly scheduled meeting may be cancelled with proper notice to applicant's and committee members. Notice of a cancelled meeting shall be posted at the Surfside Business Office.

2.4 No meeting shall be held with less than three members physically present.

2.5 Minutes shall be kept of each meeting

2.5.1 Committee "Minutes Form" will be used.

2.5.2 All action taken by the Committee shall be noted in the minutes, plans submitted, approved/disapproved, other action taken.

2.5.3 Minutes shall be typed and placed in a committee file and made part of the public records of the Association.

2.6 All meetings shall be open to all Association members.

3. **Plan Submission Procedures:**

3.1 A plan submission packet shall be available at the Association office.

3.1.1 All members wishing to submit plans for approval shall fill out all applicable sections of the packet.

3.1.2 Plans shall not be reviewed without the proper Association forms being completed.

3.2 Plans and forms must be submitted to the business office at least forty-eight (48) hours prior to the meeting date.

3.3 Two (2) copies of all plans must be submitted to be reviewed.

3.3.1 One (1) copy shall be returned to the member with approval notice,

3.3.2 One (1) copy shall be retained by the Association for Two (2) years

4. **Plan Approval Process:**

4.1 Each submitted plan shall be checked by the committee for compliance with all covenant and architectural guidelines, this would include, but is not limited to, single family residence, mobile units, multiple residence, commercial structures, and other property development and improvements.

4.1.1 The Water/Field Services staff shall review the plot plan for the septic tank and drain field on behalf of the Architecture Committee only to verify placement in relationship to 'Surfside water lines and connection location

4.1.1.2 Plot plan should show distance of septic tank and drainfields to property lines, wells and buildings. The plot plan shall also show the size and placement of the proposed dwelling on the parcel

4.1.1.3 Once the plot plan has been reviewed, it will then be signed off by the Surfside Water/Field Services Department. The applicant will submit the reviewed plan to Pacific County Health Dept. for final approval,

4.1.2 Building plans; general

4.1.2.1 Building Covenant Check List shall be filled out for each plan submitted,
4.1.2.2 Plans are reviewed by entire present committee, and
if plans are in conformance with all requirements they are approved and signed and dated by a majority of the Architectural Committee members present. (See covenant requirement 4.1b4)
4.1.2.3 Plans found not to be in compliance are rejected and returned to the member along with written explanation of the reason plans were rejected,
4.1.2.4 Approved plans along with all supporting documentation shall be filed in the Association office for a period of two (2) years,

4.1.3 Complete recording and filing of approved plans
4.1.3.1 Approved building and plot plans, covenant check list, approval request form and copy of the letter sent to the requesting member shall be filed in the Architectural Committee file cabinet by Surfside Office Secretary
4.1.3.2 Prior to filing, data on building approval shall be entered in Master Record File. The date of the committee approval of the dwelling and the review of the septic tank and drainfield location shall be provided on the map.

4.1.4 Final inspection
4.1.4.1 Upon notification of property owner that exterior of building is complete, or at the end of the two (2) year period, the vice- chairperson or a committee appointed by the vice-chairperson shall check the building for exterior completion in compliance with the Association covenants. The Master File and office map shall be updated to reflect changes.

5. **Board Decisions**

5.1 General. Various places within the Restrictive Covenants administered by the Surfside Estates Homeowners Association ("Restrictive Covenants") specify that certain decisions on proposed development must be approved by the Board. This includes, but is not necessarily limited to, the following sections of the Restrictive Covenants: Section 2.8 regarding commercial signs, Section 2.10 regarding manufacturing uses, Section 2.11 regarding commercial uses, Section 3.1c regarding height for multi-family residences and commercial structures, Section 4.6a regarding waivers to the minimum size requirements for houses and Section 5.6.1 of the Architectural Committee Guidelines regarding variances. This Section 5 of this Operating Procedure describes the procedures and criteria for making decisions on proposed development that requires Board approval.

5.2 Application. The applicant for the proposal shall make the request in writing, on the form provided for the request, to the Architectural Committee. The applicant for the proposal shall include, with the application, the information required in Section 5.5.2 of this Operating

Procedure.

5.3 Application Fee. The request must be accompanied by an application fee in the amount established from time to time by the Board. The request will not be processed until this fee is paid.

5.4 Architectural Committee Review. The Architectural Committee shall review every application that requires Board approval and make a recommendation to the Board; provided, however, that where the128 Restrictive Covenants give authority for the Architectural Committee to make the decision, subject to Board approval and/or confirmation, the Architectural Committee shall make the decision and if the Architectural Committee approves the proposal send the same to the Board. In any event, the Architectural Committee shall include, with its recommendation and/or decision as the case may be, any explanation and/or proposed conditions it deems appropriate.

5.4.1 The Architectural Committee is authorized by the Board to approve applications for single-family residences in the plat of Surfview

5.5 Consideration by the Board

5.5.1 General. Within 60 days of receipt of the recommendation from the Architectural Committee, the Board shall consider the proposal. Generally, the request will be considered at a regularly scheduled meeting of the Board, but the Board may call a special meeting if it deems it appropriate to do so.

5.5.2 Notice. At the time of application, the applicant must provide the business office of Surfside Homeowners Association with a copy of the relevant portion of the plat map for Surfside Estates or other areas subject to the Restrictive Covenants. The map must designate the subject property and graphically show all properties within Surfside Estates and other areas subject to the Restrictive Covenants that are within 300 feet of any property line of the subject property. At least 10 days prior to the hearing of the Board on the proposal, the office staff of Surfside Homeowners Association shall send a notice of the upcoming hearing, including the time, place and a brief description of the subject of the hearing, to each person or entity then shown in the Surfside Homeowners Association's records as the owner or contact person for each of the lots in Surfside Estates and other areas subject to the Restrictive Covenants within 300 feet of any property line of the subject property. However, this notice is a courtesy notice, and neither the failure to provide this notice nor any deficiency in this notice or its timing will affect the jurisdiction of the Board to hold the hearing and decide the matter.

5.5.3 Hearing. At the date and time specified in the Notice, the Board shall hold a hearing on the proposal. The Board will consider written and oral comments received from the applicant and from any property owners and/or resident within Surfside Estates and other areas subject to the Restrictive Covenants. People may appear and make comments personally, or through representatives. The Board may limit the

length of oral comments. The Board may continue the hearing as it deems appropriate.

5.5.4 Decision. Following the hearing, either at that meeting or at a subsequent meeting, the Board shall deliberate and make a decision on the request using the criteria established in this Operating Procedure. The decision of the Board is the final decision for Surfside Homeowners Association on the matter.

5.6 Criteria – General

The Board shall use the criteria, as applicable, in Sections 5.6.1 through 5.6.5 below in making a decision to grant the request, deny the request or grant the request with conditions. The Board shall issue its decision in writing, either by adopting minutes which reflect its decision or by issuing a separate written document.

5.6.1 Variance Criteria. The Board may grant a variance request if it determines that all of the following criteria are met:

a. That because of unusual circumstances related to the size, shape, topography, locations, surroundings or setting of the subject property the strict application of the Restrictive Covenants to the subject property will result in undue hardship to the property owner and/or unreasonable restriction on the development of that property.

b. That granting the variance will not be materially detrimental or injurious to other properties or property owners in the area of the subject property.

c. That granting the variance will not constitute a special privilege to the applicant or grant the applicant rights or privileges not enjoyed by other property owners in the area.

d. That the variance requested is the minimum necessary to grant the property owner reasonable use of the property.

5.6.2 Commercial Use Criteria. The Board may grant authorization to conduct a particular business or commercial use on a parcel where commercial use is allowed under the Restrictive Covenants if it determines that all of the following criteria are met:

a. That the proposed business or use is permitted by the Restrictive Covenants.

b. That either the proposed business or use will provide services and/or products to residents and property owners of Surfside Estates and/or other areas subject to the Restrictive Covenants or it will not have detrimental impacts on properties in the immediate area.

c. That the traffic, noise, odor, light and glare and other specific reasonably anticipated affects of the proposed business or use will not have unreasonable impacts upon other properties in the area of the subject property.

5.6.3 Commercial Development Criteria. The Board may approve specific development standards for commercial uses and other uses where the Restrictive Covenants require Board approval including commercial signs, setbacks and height of commercial and multi-family structures) if it determines that all of the following criteria are met:

a. That the size, scale, orientation and general appearance of the structure or sign, as the case may be, is compatible with its surroundings.

b. That the size, locations, orientation and illumination of the structure or sign, as the case may be, will not unreasonably interfere with any residential use in the area.

c. That the sign is not larger than is reasonably necessary for the use and is designed to be harmonious with its surroundings.

5.6.4 Waiver of Minimum Square Footage Requirements Criteria. The Board may approve a waiver granted by the Architectural Committee to the minimum indoor living area square footage requirements for single-story residences based on the criteria contained in the Restrictive Covenants.

5.6.5 Manufacturing Use Criteria. The Board may approve a proposal to permit a manufacturing use or activity on a parcel if it determines that all of the following criteria are met:

a. That any reasonably anticipated impacts from the proposed use or activity (including, but not limited to, traffic, noise, light, glare, odor and vibration) will be no greater than what would be anticipated from single-family residential use or, if the Restrictive Covenants permit outright other use on the parcel, the impact that would be anticipated from that other use.

b. That there will be no exterior indication of the manufacturing use or activity on the parcel that is visible from any property line of the parcel.

c. That the proposed uses and activities will not involve or result in pollution of air, water or soil and will not involve the storage, production or use of any hazardous substance as defined by any federal, state or local law.

5.7 Record Keeping

All applications and other related material for a Board decision, as well as the decision of the Board, shall be kept in the Architectural Committee files located in the Surfside Business Office.

6. **Special Situations and Requests**:

6.1 Plans for construction of unusual or questionable structures or development shall be taken up by the members present at a regular committee meeting,

6.2 Property may be visited by the committee (no less than three

members) before a decision is reached,
6.3 All decisions made on these special requests shall be entered into the committee meeting minutes, and kept on file,
6.4 The property owner requesting the decision of the committee shall be notified in writing of all findings.

7. Enforcement of all Architectural Guidelines and related Association Covenants shall be investigated and enforced.

BOARD POLICY

MEMBERSHIP REQUESTS

Members are encouraged to make requests of the Board of Trustees regarding improvements to Surfside properties, changes in existing or development of new Board policies, or other actions that will require Board approval. In order for these requests to receive a proper hearing and response the Board of Trustees of the Surfside Homeowners Association has adopted this policy.

1. Member requests will be submitted to Surfside's business manager on forms provided by Surfside.
2. Surfside's business manager will evaluate the request and within seven (7) days of receiving the request forward the request to the chairman of the appropriate committee for consideration.
3. The chairman of the committee, at their discretion, will either call a special meeting of the committee or hold the request until the next scheduled meeting. The chairman of the committee will notify the business manager, within fourteen (14) days of receiving the request, the date and time of the committee meeting when the request will be considered.
4. Surfside's business manager will promptly inform the requesting member the date and time of the committee meeting that will address their request.
5. At some point during the committee meeting where the members request will be considered the chairman will:
    - **a.** Announce that there is a members request to be considered and read the request to the committee.
    - **b.** The chairman will request a motion and second to consider the request.
    - **c.** If no motion or second to consider the request is obtain the request will be dead.
    - **d.** If a motion and second is obtained the request will be discussed with participation from the requesting member if present.
    - **e.** After discussion the committee chairman will consider motions:
        - **i.** to approve the request and direct the committee

Trustee to present the request at the next regular meeting of the Board of Trustees for their consideration, or

ii. investigate the cost and/or feasibility of the request and report the findings to the committee at a future meeting(s) for action, or

iii. declare the request unfeasible and end further action on the request.

6. The chairman of the committee will accurately record discussion of and actions taken on the request in the minutes of the meeting and promptly submit those minutes to the business manager.

7. If the requesting member is not satisfied with the decision of the committee assigned to consider their request they may request, in writing, the business manager place their request on the agenda of the next regularly scheduled meeting of the Board of Trustees. With approval of the President of the Board of Trustees, the business manager will place the request on the agenda for consideration at the next regular meeting of the Board of Trustees.

Adopted 3-16-13

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