

LAKE DON PEDRO OWNERS' ASSOCIATION
NOTICE OF PROPOSED RULE CHANGE

TO: All Association Members
FROM: The Board of Directors
RE: **NOTICE OF PROPOSED RULE CHANGE**
Adoption of "*Penalty Schedule*"

The purpose of this written notice is to inform you that the Association's Board of Directors is proposing adopting a schedule of fines and penalties for violations of the governing documents, including the Association's rules and restrictions, and for reimbursement of costs incurred by the Association in gaining a member's compliance with the governing documents. This notice is being given to all members in accordance with California Civil Code Section 4360.

1. **Text of the Proposed Rule Change:** The proposed new "*Penalty Schedule*" is enclosed with this written notice.

2. **Purpose and Effect of the Proposed Rule Change:** The purpose and effect of the proposed change is to adopt a schedule of fines and penalties for violations of the Association's governing documents with respect to violations rising to the level of nuisance and health and safety violations, and for reimbursement of costs incurred by the Association in gaining a member's compliance with the governing documents. The effect of the Proposed Rule Change is that the Board may impose (1) fines and penalties against members for violations of the Association's governing documents with respect to violations rising to the level of nuisance and health and safety violations, and/or (2) a reimbursement assessment for reimbursement of costs incurred by the Association in gaining a member's compliance with the governing documents with respect to violations rising to the level of nuisance and health and safety violations.

3. **Notice of Meeting of the Board of Directors to Consider Adoption of the Proposed Rule Change:** The Board of Directors will hold a meeting to adopt the "*Fine Schedule*" as indicated below. The Board of Directors intends to make its decision at this meeting following consideration of any comments made by the members.

Date: May 9th, 2019

Time: 6:00 p.m.

Place: The Hacienda Clubhouse
5182 Fuentes de Flores
La Grange, CA 95329

RESOLUTION

The following action was taken at the duly noticed and held meeting of the Board of Directors (the ~~%Board+~~) of the Lake Don Pedro Owners Association (the ~~%Association+~~) on _____, 2019, at which at least a quorum of the Directors were present. Notice of this proposed action was provided to all Association members as of _____.

The Association is the owners association formed to manage the Lake Don Pedro residential planned development located partly in Mariposa County and partly in Tuolumne County, California (the ~~%Development+~~); and

The Association has the power to enforce the provisions of the various Declarations of Restrictions that encumber the Development and the other governing documents of the Association (the ~~%Governing Documents+~~); and

The Board previously adopted Resolution 14-2 creating a process to receive complaints of violations of the Governing Documents and conduct enforcement actions and is hereby incorporated; and

The only current means of enforcing the rules when a property owner refuses to remedy a violation is to file an expensive lawsuit, thereby increasing costs to the Association members; and

In recent years, due to population growth and development within the Development, complaints involving the following have increased substantially:

- 1) Runoff of toxic or hazardous waste or other substances, including animal waste;
- 2) Excessive accumulation of garbage and associated odors;
- 3) Substantial amount of livestock and other farm animals being raised or housed with insufficient acreage for proper feed and support, resulting in neglect;
- 4) Substantial amounts of animals, including poultry, creating excessive noise on a daily basis; and
- 5) Long-term camping/living in RVs on property without an Association permit.

Such violations may affect the health, safety, quiet enjoyment and property values in the Development; and

It is the Board's duty to protect the value and quality of life within the Development and effectively support enforcement of the restrictions and regulations each owner accepts and agrees to abide by when purchasing property in the Development.

IT IS THEREFORE RESOLVED that the Association shall enforce use restrictions set forth in any of the Governing Documents rising to the level of nuisance, affecting the health, safety and well-being of residents and animals, or the quiet enjoyment of property, as follows:

1. Complaints shall be received and investigated in accordance with Resolution 14-2.
2. Upon verification of a complaint, a notice of violation, describing the nature of the violation, shall be provided to the property owner by first class mail and/or personal delivery. The owner shall have 30 days to remedy the violation. The Association may, but shall not be obligated to, provide a copy of the letter to the resident of the property if the owner is not in residence.
3. If the violation has not been corrected within 30 days, the Board shall conduct a hearing prior to imposition of the fine in accordance with the attached fine schedule. Notice shall be delivered to the owner 10 days prior to the hearing by first class mail and/or personal delivery. The notice shall contain the following information:
 - a. The date, time and place of the hearing;
 - b. The nature of the alleged violation for which corrective action may be taken against the owner;
 - c. Statement that the owner has the right to attend, address the Board and present any evidence in his/her defense at the hearing, or that he/she has the right to submit their defense in writing;
 - d. Statement that the hearing will be held whether or not the owner chooses to appear in person or by writing.
4. Conduct of the Hearing: The hearing shall be conducted in executive session. Only the following parties may be present at the hearing: the owner, legal counsel for the owner, the Board, members of the Association's management staff, the Association's legal counsel, witnesses who will provide testimony and such other persons as the Board deems helpful to the conduct of the hearing and the determination of the facts, subject to the Board's right, but not obligation, to exclude witnesses during the time they are not providing testimony. The Board shall determine the procedure to be followed.
5. Decision by the Board: The Board shall deliberate in closed session. Written notice of the Board's findings and decision shall be delivered by first class mail and/or personal delivery within fifteen (15) days after the decision has been made. The decision of the Board shall be final.
6. Corrective Action: If the Board determines that a violation has occurred, it may impose a fine in accordance with the schedule of fines attached as Exhibit A, suspend membership rights and take any other corrective action allowed by law including the commencement of legal proceedings and seeking injunctive relief. A fine may be imposed for a continuing violation on a daily basis as set forth in Exhibit A.
7. Collection of any fines will be in accordance with the Association's collections policy. Delinquent fines will be subject to a late charge of 10%.

EXHIBIT A

PENALTY SCHEDULE

1st Violation.....Fine up to \$250
 2nd Violation (same offense).....\$50 to \$350
 3rd Violation (same offense).....\$100 to \$450
 Additional Violations (same offense).....Fine up to \$550
 Continuing violationō ō ō ō ō ō ō ō ō ō ō ō ō .Daily fines of up to \$100 until cured
 Suspension of common area privileges
 Assessment may be levied to reimburse Association expenses, including attorney's fees
 and costs.