

SAHHALI SHORES AT NESKOWIN CONSOLIDATED OWNERS ASSOCIATION
Resolution of the Board of Directors

ENFORCEMENT

RECITALS

- A. The “**Association**” is the Sahlali Shores at Neskowin Consolidated Owners Association, an Oregon nonprofit corporation. The Association is charged with the operation and management of Sahlali Shores at Neskowin, an Oregon planned community located in Tillamook County, Oregon.
- B. The Association is governed by and subject to the following governing documents recorded in the records of Tillamook County, Oregon:
1. *Amended Declaration of Covenants, Conditions and Restrictions of Sahlali Shores at Neskowin*, recorded May 26, 1999 in Book 407 Pages 762, including all supplements and amendments thereto (“**Declaration**”);
 2. *Bylaws of Sahlali Shores at Neskowin Consolidated Owners Association*, recorded January 6, 2009 as Document No. 2009-000082, including all amendments thereto (“**Bylaws**”).
- C. The Association is also governed by the Oregon Planned Community Act, ORS 94.550 *et seq* (the “**Act**”).
- D. ORS 94.640 and Article VIII, Section 8.1(c) of the Bylaws vest the Board of Directors (“**Board**”) with all of the powers and duties necessary for the administration of the affairs of the Association.
- E. ORS 94.630(1)(a) and Article VIII, Section 8.1(a) empower the Board of Directors to adopt Rules and Regulations.
- F. ORS 94.630(1)(n) and Article III, Section 3.1(k) and Article VIII, Section 8.1(a) of the Bylaws provide that the Board of Directors may levy reasonable fines for violations of the Declaration, Bylaws, and Rules and Regulations of the Association after notice and an opportunity to be heard, if the fine is based on a Schedule of Fines adopted by a resolution of the Board.
- G. ORS 94.709 provides that fees, late charges, fines, and interest imposed pursuant to ORS 94.620(1)(n) are enforceable as assessments.
- H. For the benefit and protection of the Association and of the individual Owners, the Board deems it necessary and desirable to establish a formal procedure for the handling of complaints and the enforcement of the Declaration, Bylaws, and Rules and

Regulations to ensure that Owners receive notice and an opportunity to be heard in cases involving alleged violations of the Declaration, Bylaws, or Rules and Regulations.

- I. The Board deems it necessary and desirable to adopt a *Schedule of Fines*, attached as Exhibit A to this Resolution, to be used by the Board in imposing sanctions for violations of the Declaration, Bylaws, or Rules and Regulations of the Association.

RESOLUTION

NOW, THEREFORE, IT IS RESOLVED that:

- I. All prior Enforcement Resolutions or Financial Penalties Resolutions, if any, are rescinded and are no longer of any force.
- II. The procedure set forth below shall now be the process for handling complaints and enforcement of violations of the Declaration, Bylaws, and Rules and Regulations.

ARTICLE 1 OVERVIEW OF PROCESS

- 1.1. **Complaint.** An Owner may file a written complaint with the Board of Directors regarding a violation of the Declaration, Bylaws, or Rules and Regulations by another Owner, tenant, or guest. The Board of Directors may also initiate a complaint (Article 2).
- 1.2. **Investigation.** The Board of Directors has the discretion to investigate the complaint and decide if it is valid (Article 3).
- 1.3. **Violation and Notice.** If the Board of Directors finds there is a violation, the Board or its representatives must provide notice to the Alleged Offending Owner. The Board may, in their discretion, provide a courtesy notice to the Alleged Offending Owner. If the violation is not remedied or ceased within the time specified in the notice, then the Board will provide a Notice of Violation to the Alleged Offending Owner. The Notice of Violation must contain certain provisions, including giving the Alleged Offending Owner an opportunity for a hearing (Article 4).
- 1.4. **Hearing.** If requested, the Alleged Offending Owner may present testimony or evidence regarding the violation at the next Board meeting (Article 5).
- 1.5. **Fines.** The Board may impose fines pursuant to the *Schedule of Fines* if the violation is not remedied or ceased within the time specified in the notice, provided the Owner has the opportunity for a hearing (Articles 3, 6, and 7).

ARTICLE 2
ORIGINATION / INITIATION OF COMPLAINT

- 2.1. **Board of Directors.** A complaint may be initiated by the Board of Directors based on information from a management agent, Owner, or other information the Board deems reliable.
- 2.2. **Owners.** An Owner (“**Complaining Owner**”) who desires the Board of Directors to take corrective action against another Owner or tenant (“**Alleged Offending Owner**”) must submit a complaint to the Board of Directors. The complaint must be in writing and must include:
- (a) The name, if known, and address or lot number of the Alleged Offending Owner;
 - (b) A description of the offending behavior or activity, including the date(s) and approximate time(s); and
 - (c) Whether or not the Complaining Owner attempted contact with the Alleged Offending Owner regarding the alleged violation.

ARTICLE 3
INVESTIGATION OF COMPLAINT

- 3.1 **Investigation.** Upon receipt of a written complaint, the Board, or a person authorized by the Board, has the discretion to conduct an investigation to confirm the nature and existence of the allegations contained in the complaint.
- 3.2 **Determination of Violation.** If, after review of a complaint, the Board of Directors determines that there is a violation of the Declaration, Bylaws, Rules and Regulations, or other Governing Documents and the Board determines that it is in the best interest of the Association and Owners to address the violation with the Alleged Offending Owner, the Board shall proceed to give notice to the Alleged Offending Owner as described below.

ARTICLE 4
NOTICE PROCEDURE

- 4.1 **Notice of Violation.** The Board shall give the Alleged Offending Owner written notice of the violation.
- (a) Notice of Violation and Right to a Hearing. The notice required under this section must:
 - (1) Describe the violation;

- (2) Contain a statement that the Alleged Offending Owner has fourteen (14) days to request a hearing at the next scheduled Board Meeting (or at another, mutually agreed upon Board Meeting), and that any request for a hearing must be in writing;
 - (3) Contain a statement advising the Alleged Offending Owner that if no hearing is requested within fourteen days, and if the alleged violation is not remedied or ceased within those fourteen days, fines may be assessed, beginning on the day following the specified compliance deadline, pursuant to the *Schedule of Fines* adopted by the Board of Directors as Exhibit A to this Resolution.
- (b) Optional Notice Provisions. The notice may also provide or specify any or all of the following:
- (i) Specific action the Board is requiring to remedy the violation;
 - (ii) The particular language or section from the Declaration, Bylaws, or Rules and Regulations which has been violated; and
 - (iii) Any other information as directed by the Board.
- (c) Delivery of Notice. The notice may be hand-delivered to the lot. In the event no individual is at the lot to receive the hand-delivery, the notice shall be affixed to the door.
- (d) Mailing of Notice. The notice may be mailed to the address on record with the Association. In the case of non-owner residents, the notice may be mailed to both the address on record with the Association for the Owner and to the lot address. The mailing shall be by first class mail.

4.2 **Repeat Violations.** Owners who repeat any violation within a 12-month period of receiving a second notice are not entitled to an additional notice or hearing, regardless of whether or not the Owner participated in a hearing as a result of the first violation. For such repeat violations, the Board may automatically begin fines as outlined in the attached *Schedule of Fines*.

4.3 **Informal Action.** Nothing in this article precludes the President, a designated Board member, or other person authorized by the Board from first attempting to resolve the matter either by an informal meeting, telephone call, or a warning letter to the Alleged Offending Owner.

ARTICLE 5
HEARING PROCEDURE

- 5.1 **Hearing Procedure.** In the event that an Owner requests a hearing, the Board shall utilize the following procedure for violation hearings to be held during a regular open Board meeting:
- (a) Appearances at the Hearing. If the Alleged Offending Owner fails to appear within *fifteen (15) minutes* of the time set for the hearing, the Board may, at its sole discretion:
 - (1) Conduct the hearing without the presence of the Alleged Offending Owner;
 - (2) Allow the Alleged Offending Owner additional time that day to appear;
 - (3) Reset the hearing to another date and time; or
 - (4) Dismiss the complaint.
 - (b) Dismissal. In the case of dismissal, the Board shall notify the Alleged Offending Owner, in writing, that the complaint has been dismissed.
 - (c) Conduct of Hearing.
 - (1) Testimony from Parties. If the Complaining Owner chooses to appear and the Alleged Offending Owner appears, the Board shall proceed to hear from the Complaining Owner and then from the Alleged Offending Owner.
 - (2) Evidence and Witnesses. The Complaining Owner and the Alleged Offending Owner may present evidence and witnesses at the hearing. The Board may limit testimony and evidence as it determines is reasonable and necessary. An Owner's testimony shall not exceed 15 minutes.
 - (d) Board Determination. Following the testimony and any evidence presented by the parties, the Board has the discretion to re-evaluate its prior determination of violation under Sections 3.1 and 3.2 above. The Board also has the discretion to re-evaluate the fine, any required or appropriate resolution for the violation, and any other matter which may result in the resolution of the violation.
 - (1) The discussions must be in open session as directed by ORS 94.640.
 - (2) The Board shall either give its decision at the conclusion of the hearing or take the matter under advisement and give the decision a later date not to exceed ten (10) days after the hearing date.

**ARTICLE 6
OTHER LEGAL ACTION**

- 6.1 **Board Actions.** In addition to levying fines, action by the Board may include, but need not be limited to:
- (a) Seeking injunctive or declaratory relief action against any Alleged Offending Owner and tenants, guest, or other occupants of the Alleged Offending Owner; and/or
 - (b) Taking immediate legal action, as the Board finds reasonably necessary, to stop conduct which it determines is in violation of the Governing Documents, Bylaws, Rules and Regulations, or applicable state or federal law.
- 6.2 **Additional Corrective Action by Board.**
- (a) Right of Board to Take Additional Corrective Action. If the Alleged Offending Owner fails to correct the matter which is the ultimate cause of the violation, the Board may take additional corrective action without prior notice to the Offending Owner or opportunity for a hearing.
 - (b) Notice of Additional Action. The Board shall give an Alleged Offending Owner written notice of any additional action taken under Subsection (a) of this section.

**ARTICLE 7
MISCELLANEOUS**

- 7.1 **Renters and Other Non-Owner Occupied Lots and Guests.** The Owner of any lot shall be responsible for the violations of any renter, tenant, guest, or family member who violates any portion of the Declaration, Bylaws, or Rules and Regulations.
- 7.2 **No Fines Pending Resolution of a Hearing.** Pending resolution of a requested hearing, no fines may be charged against the account of an Alleged Offending Owner.
- 7.3 **Mediation.** ORS 94.630(4)(a) provides for dispute resolution prior to any litigation being initiated between the Association and any member of the Association. For purposes of this Enforcement Resolution, the dispute resolution requirements of the Act do not apply to the actions of the Association in its enforcement responsibilities, as long as no litigation has been filed.

BE IT FURTHER RESOLVED that:

III. The *Schedule of Fines* attached as **Exhibit A** is adopted by the Board of Directors to determine the fines for violations of the Declaration, Bylaws, and Rules and Regulations of the Association.

IV. A copy of this Resolution and any amendments thereto will be sent to each Owner at the email address shown in the records of the Association.

DATE October 19, 2023

ATTEST:

Maria Veltra

President
Sahhali Shores at Neskowin Consolidated Owners Association

David Hughes

Secretary
Sahhali Shores at Neskowin Consolidated Owners Association

Exhibit A – Schedule of Fines

The fines and fees are listed as A, B, C, D, E, F or G. The Board will set the annual “alphabet” rate at the first regular Board meeting following the Annual Member meeting. Rates will not be increased more than twenty percent (20%) in any one year without approval of the majority of owners. In the absence of an annual rate approval, the default will be a continuation of the existing rate.

FEES:

ARCHITECTURAL REVIEW BOARD (ARB):

ARB decision appeal fee	CC&R 10.5	E
ARB review fee (new construction submission)		G

FINES:

GENERAL:

Failure to notify the Board of an address, phone or email change		A
Damage to Common Property		B
Fine plus reasonable cost of repair as a special assessment	CC&R 6.8	

ASSESSMENT FINES:

Fines are issued for late payment of association annual assessments (dues) CC&R 5.1

An additional twenty (20) days late, an additional fine plus interest (30 days total)	C
An additional thirty (30) days late, an additional fine plus interest (60 days total)	D

NUISANCE:

Any noxious or offensive activity CC&R 9.9 and CC&R 9.4.2

Unsecured items subject to weather conditions, e.g., garbage cans, signs, litter, etc., fine per incident, per day.	A
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Noxious activity, e.g., maintenance issues listed in CC&R 9.4.2, etc., fine per incident, per day	B
Offensive activity, e.g., noise during quiet hours (10 PM to 7 AM Local Time), etc., fine per incident, per day	C
Potentially dangerous activities, e.g., fireworks, etc., fine per incident, per day	D
Signs other than “for sale” signs on property or contractor signs posted for identification purposes for in-process construction projects	D

ARCHITECTURAL REVIEW BOARD (ARB):

<p>“Approval Required”, any exterior modification or addition to a lot, without ARB approval, will be fined 10% of the estimated cost of the improvement. CC&R 10.3</p>

PARKING

Parking violations will be assessed against the owner of record of the property with which the offending vehicles are associated, no matter where the vehicles are located; roadways, common area or driveways. CC&R 9.1.2
 Outdoor Storage will be penalized as parking. The rate for any parking violations will be assessed per day.

A state-wide parking violation as defined in ORS 811.555 and 811.575 and will be charged similar to a “class D” traffic violation presumptive fine	C
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RENTAL:

Per Tillamook County Short Term Rental Ordinance #69 & #84 (TC #69 & #84) and Sahhali Shores Rules and Regulations, “Short Term Rental Rules”.

Non-grandfathered short-term rentals renting fined per night CC&R 9.6e	F
Verified number of people at the residence that exceed the allowable number (TC #69 & #84, Section 6 (P) or according to the highest number listed with local rental agencies or on websites identifying the lot, whichever is greater) fine per person	B
Absence of a valid 24-hour emergency phone number or lack of 20-minute response to a (TC #69 & #84, Section 6 (C)) complaint	F

SCREENING:

CC&R 9.8

<p>Owners will be given ten (10) days following notification of a violation to apply to the ARB for required approval to screen all items listed in the CC&Rs and Screening Policy and Rules. Owners not making an application after ten (10) days will be assessed a fine per item, per day.</p>	<p>A</p>
<p>Once the ARB has issued an approval, owners will be given twenty (20) days to complete the necessary screening. Failure to complete the screening will again be assessed a fine per item, per day.</p>	<p>A</p>

“Oil tanks” are interpreted to include “propane tanks”. “Other service facilities” are defined as “something that is built or installed for a particular purpose” and include, but are not limited to, hot tubs, etc.

EFFLUENT DISPOSAL SYSTEM (STEP):

Penalty Provisions for septic and STEP systems (8/21/2010 Approved STEP Regulations): STEP system capacity violations (generating high-level alarms due to generation of excess flow) will be penalized based on the frequency of the penalties within a violation period. The first occurrence within a violation period will be penalized an amount of “C”+ contractor fee [NOTE 1]). The second occurrence within a violation period will be penalized an amount of “D”+ contractor fee [NOTE 1]). 'Occurrence' is defined to mean a STEP system alarm initiated because of excess demand.

A 'violation period' will be considered twenty-four (24) hours from the initial time of violation; i.e., if the house remains in violation twenty-four (24) hours after the initiation of the current violation, another violation is recorded, OR, if another violation is incurred subsequent to twenty-four (24) hours or more after the current violation. The absence of further capacity violations for a period of ninety (90) days from the time of the last such violation will 're-set the clock', and any further violations will start a new incrementing cycle.

Any occurrence causing an overflow from the on-lot surge/dosing tank(s) onto the surrounding ground will be penalized (“G” + contractor fee [NOTE 1]. Any tampering or manipulation of on-lot control panels (as defined above) with the on-lot STEP control unit will be penalized (“G” + contractor fee [NOTE 1]+cost of repair of the control unit). Any use by STEP or Non-STEP lots that create incidents leading to DEQ involvement or fines assessed against the COA will be penalized an amount equal to an amount necessary to pay any fines assessed against the COA by the DEQ, plus the recovery of any legal fees and costs associated with incident. Repetitive violations of these septic regulations can lead to the Board denying the house owner access to the 'common areas' of the development, specifically, the common portions of the STEP system. Repetitive violations means three (3) violations in ninety (90) days or four (4) in a six (6) month period.

NOTES:

(1) Contractor Fee. The Board of Directors will contract with, or hire, as needed, septic contractors to evaluate potential septic violations, and any other licensed contractor necessary to inspect, maintain or repair any portion of the STEP or non-STEP systems. Any such contractor's fee will be the fee billed by the contractor. The Board will endeavor to utilize local contractors to minimize associated travel costs.

Per this resolution, the Board will adopt the “alphabet” values that correspond to the fine schedule.

That table will be included in this space, annually.

The Board adopt the "alphabet" fine schedule for October 2023 – October 2024 as follows:

A= \$25

B= \$50

C= \$100

D= \$150

E= \$250

F= \$300

G=\$2000

This fee schedule shall remain in place until the next review even if that occurs after October 2024.