

ARTICLE I
MEMBERSHIP

Section 1. The membership of the Association shall consist exclusively of “Owners” of lots in the Sunset Sands Subdivision in Pacific County, Washington (“Sunset Sands”), but if the titleholder has contracted to sell a lot to a person who is entitled to possession thereof then the term “Owner” shall mean the contract purchaser during the period of said contract or any assignee of such purchaser’s rights. The term “Lots” refers to the lots in Sunset Sands and when used in relation to a particular member, it refers to the Lot owned (or under contract to) that Owner. An Owner may be a natural person, partnership, association or other form of entity, but as to each Lot there shall be only one membership.

Section 2. Membership shall be inseparably appurtenant to each Lot in Sunset Sands, and upon transfer of ownership by deed, court decree, contract of sale, or otherwise, memberships shall be automatically transferred with the Lot to the new Owner.

Section 3. No member of the Association shall have any right, title or interest in or to the whole or any part of the property or assets of the Association, and no member shall be entitled to either the whole or any part thereof in the event of the termination of his/her membership in the Association.

Section 4. Each Owner in good standing shall have one membership and one vote for each Lot owned. Unless the Board of Directors decides otherwise no certificates of membership need be issued. A new Owner shall become entitled to vote after establishing his/her ownership of or contract interest in a Lot to the satisfaction of the Board. The personal representative of a deceased member shall have all that member’s rights, privileges and duties and responsibilities of membership in the Association.

Section 5. No member may withdraw from the Association except upon transfer of the Lot or Lots to which his/her membership is appurtenant. No compensation shall be paid by the Association upon the transfer of membership and no member whose membership is transferred shall thereafter be entitled to share or participate in any of the property, facilities or benefits provided by the Association except to the extent of continued membership by reason of ownership of another Lot or Lots.

Section 6. The Board of Directors, or any two officers designated by it, may, in accordance with procedures prescribed by the Board, exclude any member from the use or enjoyment of the facilities and benefits of the Association for delinquency in payments required of members in, or for failure to comply with, the Protective Covenants of Sunset Sands, the Articles of Association or By-Laws of this Association, or with the rules and regulations established by the Board.

Section 7. Only members in good standing are allowed to use Sunset Sands Community Association properties. The Park area, clubhouse, restroom facilities, trails and lake access. These facilities are for our member’s exclusive use and are a privilege and not a right. Any violation of our governing documents can forfeit a member’s privilege to our facilities, until such time the dues, fines and or penalties are remedied. Any member entering the park must have their assigned key in their possession. No keys can be loaned or given to a guest. Anyone using the park and facilities that are not members are subject to criminal trespass. Renters that would like to use the park may only do so with written permission of the owner. The owner will be held responsible for any damages or misuse of our properties and or improper use of the owner’s key. Renters are not allowed to enter the Clubhouse on their own. They must be accompanied by a member in good standing. Clubhouse rentals are handled through our Sunset sands Community Association policy. No alcohol is allowed in the Clubhouse, unless an alcohol binder from an insurance company is issued. No discharging of firearms or fireworks is allowed in the park.

ARTICLE II
MEETING OF THE MEMBERS

Section 1. Annual Meeting

The annual meeting of the members of the Association shall be held on the third or fourth Saturday of June of each year, if not a legal holiday, and if a legal holiday, on the next succeeding business day, at

one (1:00) o'clock P.M. Such annual meeting will be held at the Community Building on Loomis Lake within Sunset Sands, or at such other places as may be designated by the Board of Directors. For the convenience of the membership, the Board of Directors may designate a different date for the convening of the annual meeting. Special meetings of the members may be called by the President or the Secretary or any two members of the Board of Directors, or members constituting twenty percent (20%) of the membership at that time. The Election and term of office for the Board of Directors are from June 30 – until the next annual membership meeting 2 years from their election date. Note: this is different than the Fiscal year which starts January 1, through December 31.

Section 2. Notice of Meetings

Notice of meetings of the members of the Association stating the place, date and hour of the meeting, and if it is a special meeting the purpose of the meeting, shall be transmitted by the Secretary to each member at least fourteen (14) days prior to the date of the meeting. The notice may be provided in any tangible medium. If mailed, the notice of the hearing shall be deemed to be delivered when deposited in the United States mail addressed to the member at his/her address as it appears on the records of the Association, with postage thereon prepaid. If transmitted in other tangible medium, the notice shall be deemed given when it is received by the member. Notice of meetings may also be posted on our website to serve as our public notice. We provide a computer and free internet access in the Clubhouse.

Section 3. Quorum

Except as otherwise required by law, a quorum shall consist of five percent (5%) of the members personally attending the meeting or represented by proxy.

Section 4. Waiver of Notice

Any member may, in writing, waive notice of a meeting before or after the meeting. Such waiver is equivalent to giving any and all required notice of that meeting to that member.

Section 5. Proxies

Any member may give a proxy to any other member. Proxies must be in writing, dated and signed, but need not be notarized, and must be received by the Secretary before or at the start of the meeting to be effective at a meeting. Unless otherwise stated, a proxy shall expire eleven months after it is signed. No member, including directors, may vote more than three (3) proxies.

Section 6. Conduct of Meetings

Members and others attending meetings shall, in all respects, conduct themselves in a calm and respectful manner. As necessary, the President, or other officer presiding at the meeting, may establish time limits for speakers and other rules to allow for the efficient, orderly and civil conduct of the meeting. In addition, the President, or other officer presiding at the meeting, may expel any member or other person who is disrupting the meeting or is acting in an aggressive manner and may summon the County Sheriff or other appropriate official to have that member or other person expelled from the meeting.

Section 7. Voting Requirements

(a) Except as specifically stated in the Articles of Incorporation or By-Laws of the Association or required by applicable law, any matter coming to the members for a vote shall be decided by a majority of the votes cast at the meeting in person or by proxy, provided a quorum is present.

(b) The following matters require the approval of 50% plus one of all of the members to be effective:

- (i) A decision to dissolve or merge the Association;
- (ii) Any capital assessment, as distinguished from an operating or maintenance assessment, in which any Lot will be assessed more than \$50.00 in any one calendar year;
- (iii) Any transfer of all or substantially all of the property or assets of the Association; and
- (iv) Any decision to sell any real property owned by the Association.

Section 8. Action Without a Meeting

Any decision which may be made by the members at a meeting may be made without a meeting if one or more identical writings stating the action taken are signed by all of the members.

ARTICLE III
BOARD OF DIRECTORS

Section 1. General Powers

Except as otherwise stated in the Articles of Association or By-Laws of the Association or required by applicable law, the affairs of the Association shall be managed by a Board of Directors, which shall be composed of seven (7) members. When there is not enough elected Board of Directors, the Board can function with (5) members as an Interim Board until such time these additional positions can be filled. The President would assume the role of Vice President, and the Treasurer would assume the additional role of Secretary. Without, in any way, limiting the generality of the directly preceding sentence, the Board of Directors shall have the full power and authority to do the following:

- a. Appoint and remove, at its discretion, agents and contractors of the Association, to prescribe their duties and fix their compensation.
- b. Make such expenditures, consistent with applicable law, as the Board deems expedient, provided, however, that the members of the Association, by resolution adopted by two-thirds vote at any meeting of members, may restrict the amount of expenditures which can be made by the Board without prior approval of the members.
- c. Establish and maintain written plans for future projects and activities. These may include an estimate of cost and an approximate time frame. These plans shall be presented to the membership at the annual meeting. The Board shall use these plans in budgeting for the Association.
- d. Manage and conduct the affairs and business of the Association and generally do and perform, or cause to be done and performed, any and every act which the Association may lawfully do and perform, provided, however, that the Board of Directors shall not have power to borrow money on behalf of the Association unless authorized by a majority vote of the members of the Association at a meeting of the members called for that purpose.
- e. Acquire by conveyance, gift, contract, lease or otherwise, property and rights in and/or to occupy property for the common benefit of the Lots or the members of the Association; to improve said property by erection of structures, utilities, facilities or otherwise; and to manage for such property, all upon such terms and subject to such rules and regulations as the Board of Directors may determine.
- f. Authorize the rental of the clubhouse facilities and park for social gatherings, dinners, picnics, parties or similar functions. The rental of the clubhouse facilities, park or any other facility of the Association shall be accomplished by written agreement executed by a member of the Association establishing the terms of that rental and under which the member agrees to accept responsibility for full performance of the agreement.
- g. File notices of liens and to foreclose upon those liens, as needed, for unpaid dues and assessments and/or other sums owed to the Association by a member; provided, however, that the filing of a notice of lien is for additional information only and the failure to do so in no way eliminates, limits, or otherwise affects the Association's lien on the Lots for the payment of dues, assessments and other sums owed by the Owners to the Association.
- h. Procure and maintain such forms of insurance as the Board of Directors deems appropriate.
- i. Except as otherwise limited by the Articles of Association or these By-Laws, to exercise all powers, rights and responsibilities customarily exercised by a corporate Board of Directors; provided, that the Board of Directors may not make political or charitable contributions of corporate funds or property.

Section 2. Tenure, Qualification and Methods of Election

A Director must be an Owner in good standing. The election of Directors shall be held at each annual meeting of the members of the Association. Each Director shall serve for two (2) years and until his/her successor is elected and qualified. Cumulative voting for Director is permitted. All nominees must be present at our annual meeting to accept the nomination before the voting begins. In the event of failure to hold an election of Directors at any annual members meeting, or in the event of failure to hold any annual members meeting as provided for by these By-Laws, election of Directors may be held at a special meeting of the members called for that purpose. It is the responsibility of each Director to attend all Board meetings, if unable to attend they may also participate by conference phone, webinar or by other electronic device that allows board member to actively participate in a Board of Directors Meeting.

Section 3. Vacancies

Except as otherwise established in these By-Laws or required by applicable law, vacancies in the Board of Directors shall be filled by a vote of the majority of the remaining Directors of the Association, even if less than a quorum, at a meeting of the Directors called for this purpose. A Director elected to fill any vacancy shall hold office for the unexpired term of his/her predecessor and until his/her successor is elected and qualified.

Section 4. Regular Quarterly Meetings

A regular Quarterly Meeting of the Board of Directors, **and membership** shall be held on the third Saturday **of September, December, March, June**, at 9:30 a.m., without other notice than by this By-Law at the same place as the preceding annual meeting of the members, unless a different time and/or location is established by action of the Board at the previous Board meeting. A **quarterly** membership meeting maybe suspended when there are any safety concerns for our membership. The meeting would then be rescheduled **when these concerns are addressed**.

Section 5. Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the President or Secretary or by any two Directors. Notices of any special meeting of the Board of Directors shall be given, at least one (1) day prior to the meeting, by written notice delivered personally or by facsimile or by oral notice. The purpose of the **meeting need not be included in the notice**.

Section 6. Quorum

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. **A Board member may participate in any board meeting via electronic medium, such as, conference calling, face-time, go to meeting etc., as long as they are recorded in the official records. All Board members should be present at the annual membership meeting.**

Section 7. Removal of Directors

At a special meeting of the members called for that purpose, the entire Board of Directors or any individual Director may be removed from office by a majority vote of all of the members of the Association. If the entire Board or any one or more Directors is so removed, new Directors may be elected by the members at the same meeting to serve for the unexpired term.

Section 8. Action Without a Meeting

Any decision which may be made by the Board of Directors at a meeting may be made without a meeting if one or more identical writings stating the action taken are signed by all of the Directors.

Section 9. No Compensation

The Directors shall not receive any compensation for their work as Directors, but shall receive reimbursement of out-of-pocket expenses incurred in performing their duties for the Association.

ARTICLE IV OFFICERS AND OTHER OFFICIALS

Section 1. General

At the first meeting of the Board of Directors after each annual meeting of the members, the Board shall elect the following officers: a president, a vice president, a secretary, a treasurer, and if desired, an assistant secretary and assistant treasurer, as well as the following other officials: a Director of Maintenance, a Director of Development (architecture) a Director of Environmental Enhancement. All officers and officials must be Board Members. No Director may simultaneously hold more than one officer position, unless there is an Interim Board of Directors serving with only (5) members, then Article III Section 1, applies. Officers and officials of the Association so elected shall hold offices for a term of two years (2), or until their successors are qualified. Any officer or official may be removed, with or without cause, by a majority vote of all of the Directors. If an officer or official is absent from a meeting, the president, or vice president if the president is not present, may appoint another board member to fulfill that officer's or official's function until the next board meeting.

Section 2. Compensation

The officer and officials shall not receive any compensation for their work as officers or officials, but shall receive reimbursement of out-of-pocket expenses incurred in performing their duties for the Association.

Section 3. President

The President shall:

- ♣ Preside at all Board and member meetings and exercise, under the discretion of the Board of Directors, the general supervision of the affairs of the Association.
- ♣ Receive all equipment, records and information necessary to perform the duties of this office and upon retirement from office turn over to the next president all such property, records and information.
- ♣ Conduct special studies of problems and/or perform other work and bring this information to the Board for consideration.
- ♣ Monitor the work of all committees, render assistance if necessary and in the case of non-performance, appoint replacement committee members.
- ♣ Monitor correction of deficiencies and problems.

Section 4. Vice President

The Vice President shall:

- ♣ Preside at meetings in the absence of the president, and in the event of the absence or disability of the president perform all other duties of the president.
- ♣ Work with the secretary and treasurer to maintain and update records of the Association as to lot ownership, improvements and liens; property inventory of the Association; maintenance records; property rentals; and other records pertinent to continuity of the Association.

Section 5. Secretary

The Secretary shall:

- ♣ Issue notices of meetings.
- ♣ Keep the minutes of all member and Board meetings in an official book of minutes. Any member may at any time review these records, but said minute book must remain in the possession of the secretary or an appointed pro-tem secretary.
- ♣ Maintain and update the records of the Association.
- ♣ Have charge of the other records and papers of the corporation.
- ♣ Attend to the correspondence of the Association.
- ♣ Take and retain all proxies.
- ♣ Prepare and disseminate our Spring and Fall Sunset Sands Newsletter.
- ♣ ***Oversee, Association website, post all meeting minutes on the website, through a contractor or by a volunteer.***

Section 6. Treasurer

The treasurer shall:

- ♣ Keep and maintain, or cause to be kept and maintained, adequate and correct records and accounts of the property, assets and business transactions of the Association. The member may at any time review these records, but these records must remain in the possession of the treasurer or appointed pro-tem treasurer.
- ♣ Keep safely all monies and securities of the Association and properly disburse the same under the direction of the Board of Directors.
- ♣ Cause the funds of the Association to be deposited in a bank selected by the Directors.
- ♣ Complete, or cause to be completed, and present a full statement showing in detail the financial condition of the Association at each annual meeting of the members and at any time directed by the Directors.
- ♣ Keep the corporate Seal.
- ♣ Advise the Board of Directors regarding insurance coverage of the Association.
- ♣ Take proper action to collect dues, assessments, **fees** and fines. When such dues and assessments are delinquent beyond January 31st of any year, the treasurer shall file a notice of lien in the records of Pacific County, Washington and bring all such filings to the attention of the Board of Directors. Fines not paid within 60 days of notice may also be filed on, in accordance with applicable laws.
- ♣ Maintain a record of all key-cards assigned to members along with a signed log to ensure that key-cards are issued only to members in good standing. If a card is not transferred to a new Owner or returned to the Treasurer on transfer of a Lot, the Treasurer shall de-activate it. When issuing key-cards, the Treasurer will ascertain that Association records contain all correct information for the Owner.
- ♣ Sign all disbursement checks and ensure that the same is co-signed by the president or other designated officer. All disbursement checks must identify the purpose of the expenditure.

Section 7. Director of Maintenance

The Director of Maintenance shall:

- ♣ Chair the Maintenance Committee.
- ♣ Supervise the Association's maintenance employee by assigning him/her appropriate duties and responsibilities and monitoring the employee's performance.
- ♣ Cause appropriate maintenance to be performed to preserve the equipment of the Association until it is replaced and recommends replacement as appropriate to the Board of Directors.
- ♣ Obtain necessary permits to complete repairs or other work on Association property.
- ♣ Recode the access key-cards and locks and assist the treasurer in the distribution of new key-cards and maintenance of Association records regarding the key-cards.

Section 8. Director of Development (Architecture)

The Director of Development ("Architecture") shall:

- ♣ Chair the Architectural Committee
- ♣ Review site development plans submitted by members for compliance with the covenants of Sunset Sands.
- ♣ Answer questions pertaining to lot development in accordance with the Covenants and By-Laws of Sunset Sands.
- ♣ Record Association permits approval and denial.
- ♣ Report development activity to the Board of Directors.

Section 9. Director of Environmental Enhancement

- ♣ The Director of Environmental Enhancement shall chair the Landscaping Committee.
- ♣ Coordinates maintenance for trails with regulator agencies
- ♣ Oversees environmental issues, like noxious weeds and Loomis Lake issues.
- ♣ Coordinate with Board and regulatory agencies for any danger tree removal issues

ARTICLE V COMMITTEES

Section 1. General

The Association shall have three standing committees, an Architectural Committee, a Maintenance Committee and a Landscaping Committee. The chair of each of these committees shall be a Board member, and the Board of Directors may appoint one or more additional Association members to serve on each committee. The Board of Directors may also establish and empower such other temporary or permanent committees as the Board deems appropriate from time to time.

Section 2. Maintenance Committee

The Maintenance Committee is generally responsible for overseeing and supervising the maintenance of all equipment and property of the association. Members of the Committee shall inspect all property of the Association once a year to ascertain its condition and to ensure that all items are accounted for. Any deficiencies or needed replacements shall be brought to the attention of the Board along with an estimated cost of replacement or repair and a ranking of the relative importance of all needed replacement or repair.

Section 3. Architectural Committee

The Architectural Committee shall generally be responsible for enforcing the Covenants of the Association. It shall coordinate with the Pacific County Planning Department. The Committee shall review all proposed building plans for the Lots and approve the same in writing when they are in compliance with the Covenants of the Association. The Committee shall periodically inspect the green belt or other for violations and take appropriate action when violations are discovered. The Committee is also authorized to issue written permits for temporary access through the green belt for specific purposes such as placing of modular homes. Each temporary access permit must state the specific permitted dates of access through the green belt and the purpose of the access, and it must require the Owner to restore the green belt to its natural condition following access. Upon restoration of the green belt to its natural condition, a member of the Architectural Committee shall sign the permit accepting the restorations. The architectural committee shall keep and maintain permanent files of all permits it issues and denies. In addition, the Architectural Committee shall keep and maintain files on each Lot showing the nature and extent of improvements on each Lot including whether cleared; if water, electrical and/or septic systems have been installed; whether a conventional structure, modular home, single or double wide trailer or recreational vehicle has been installed; and if there is a parking pad or any other improvement on the Lot.

Section 4. Landscape Committee

The Landscape Committee shall be generally responsible for supervising the maintenance and upkeep of the park and other unimproved property of the Association. The Committee shall establish a long range plan for improvements, including estimated costs, to the Board of Directors.

ARTICLE VI FISCAL YEAR

The fiscal year of the Association shall be January 1st, through December 31st of each calendar year.

ARTICLE VII SEAL

The seal of the Association shall be circular in form and shall contain the words "Sunset Sands

Community Association”, “Corporate Seal” and “Washington 1970”.

ARTICLE VIII BUDGETING; ASSESSMENTS, CHARGES AND DUES; AND LIENS

Section 1. Budgeting

Not more than ninety (90) days prior to the annual meeting of members, the Board shall adopt a proposed general budget for the next fiscal year of the Association as well as any proposed special or capital budget. Between 14 and 60 days prior to the annual meeting of members, a summary of the proposed budget or budgets, as well as a statement of the dues and assessments that would result from the proposed budget or budgets, shall be transmitted to each member.

Unless at the annual meeting of members a majority of all of the members of the Association reject a budget and dues and assessments proposed by the Board, that budget and dues and assessments are ratified by the members, even if a quorum is not present at the annual meeting.

The Board may also, at any time during the year, propose a new or amended budget and dues and assessments. Within thirty (30) days after adopting any such proposed new or amended budget and dues and assessments, the Board shall set a date for a meeting of the members to consider ratification. This meeting of the members may not be more than 60 or less than 14 days after transmitting a summary of this new or amended budget and dues and assessments to each member. Unless, at this meeting, a majority of the members of the Association reject the new or amended budget and dues and assessments, that budget and dues and assessments are ratified by the members, whether or not a quorum is present.

In the event the Board fails to propose any budget and/or if any proposed budget is not ratified by the members pursuant to the previous subsections of this section, then the last periodic budget and dues and assessments shall continue until a new budget and dues and assessments are ratified pursuant to this section.

Section 2. Dues and Assessments

All dues and assessments shall be established at a uniform rate against all members and Lots, except that distinctions may be made in dues and assessments based on the number of Lots owned by a member and whether a Lot or series of Lots is improved with a dwelling unit.

Section 3. Charges

The Board may also establish and collect charges against any member for special costs incurred by the Association as a result of the actions or inactions of a member or any occupant or user of a Lot. These Charges, fines and fees are outlined in the Associations fine polices and are adopted by the Board of Directors at our annual membership meeting when there is a change in policy or a fee change.

Section 4. Payment of Dues, Assessments and Charges and Liens

Payment of dues, assessments and charges shall be due within 30 days after notice of the same and shall thereafter bear interest at the rate of interest applicable to judgments in the State of Washington until paid. All dues, assessments and charges, together with all expenses, attorney’s fees, and costs of the Association related to the same shall also constitute a lien against the Lot(s) owned by the member. This lien shall be enforceable by foreclosure proceedings in the manner provided by law for foreclosure of real property mortgages in the State of Washington. These liens of the Association shall be superior to any and all other liens except liens of record prior to the date of assessment of the dues, assessments or charges and except for general taxes.

ARTICLE IX

AMENDMENT OF BY-LAWS

These By-Laws may be amended, altered or repealed by a majority vote of the members, present in person or represented by proxy, at any regular or special meeting of the members if notice of the proposed alteration or amendment is contained in the notice of the meeting, provided, however, any provision of these By-Laws which contain a higher member approval requirement may only be amended if approved consistent with that higher requirement.

**ARTICLE X
DISSOLUTION**

In the event of the dissolution of the Association, each member shall, for each Lot owned by him/her, receive a pro-rata share of the assets of the Association after all its debts have been paid or others properly provided for.

Amended By-Laws effective June 29, 2014 as approved by a majority vote of the Sunset Sands Community Association at the Annual Meeting.

Jan Floeter-Taylor, President, Board of Directors
Sunset Sands Community Association

Tanya Hoffmann, Secretary, Board of Directors
Sunset Sands Community Association

Sharon Ann Bohan, Notary

Notary Seal