

Cassie Property Owners Association, Inc.

P. O. Box 34

Buchanan Dam, Texas 78609

May 15, 2006

Rules and Regulations

Pertaining to Cassie Property Owners Association, Inc.'s

Property:

Definitions:

1. **Definition of "Fixed Property:"** Except for easily removable personal property, such as picnic tables, chairs, beach umbrellas, and portable grills, "Fixed Property" is any structure, retaining wall, concrete, posts, fences, trees, fill or dirt (except as authorized by the Rules and Regulations) or any other property, including property, the normal purpose of which is to build or create Fixed Property, or property which is intended to be used for building, constructing or creating Fixed Property.
2. **Definition of "Member:"** "Member" has the same meaning as in the Bylaws of Cassie Property Owners' Association, Inc.
3. **Definition of "Property Owner:"** "Property Owner" means any person or entity, except Cassie Property Owner's Association, Inc., that owns any interest in real property within the Cassie Subdivision located in Burnet County, Texas at Lake Buchanan.
4. **Definition of "POA property:"** "POA property" is generally described as the roadway areas, the nine entrance areas, and the property from lakeside subdivision lot lines to the closest side of the old riverbed of the Colorado River, the boat ramp and the seven access areas. The only exception, if any, is some underwater property near the dam which is claimed to be owned by the LCRA.
5. **Definition of Lake or "Lakebed:"** "Lake means Lake Buchanan and "lakebed" means the lakebed of Lake Buchanan.

Preamble:

1. **POA Property for the Benefit of All:** POA property is for the use and benefit of all Members and placing Fixed Property or other property on POA property or removing dirt or lake bed material from POA property is not always in the interest of other Cassie residents. A Cassie Member or Property Owner must receive POA Board of Directors' ("Board") written approval prior to placing any Fixed Property on POA property; the placing of other property on POA property may be prohibited; and the removal of dirt or lakebed material from POA property must be done in compliance with POA Rules and Policies or with prior written Board approval.

WRITTEN PERMISSION NEEDED

1. **Written Permission Needed:** Permission to place Fixed Property on POA property can only be obtained at a regular or specially called meeting of the Board of Directors who are authorized in the By-Laws to manage the affairs of the POA. It is the responsibility of the person desiring to place Fixed Property on POA property or to remove dirt or lake bed material from POA property to contact the Board in writing and to provide the Board with the documents and pictures necessary for the Board to make a well informed decision. No individual member of the Board of Directors or group of Directors can grant permission, or waive or make any variation from the plain meaning of the Rules and Regulations or Policies adopted by the Board of Directors. Discussion with individual members of the Board may be part of the information gathering process, but those discussions do not satisfy the requirement of written notification to and approval by the Board of Directors. Failure to follow Cassie Subdivision's Rules and Regulations or Policies, or failure to obtain prior written permission from the Board of Directors to place Fixed Property on POA property, could result in the Board issuing an order that could require one or more of the remedies listed in the "Violations Section."

a. In determining whether or not to grant the permission, the Board will give significant consideration to objections by the applicant's neighbors who may be affected by the placement of Fixed Property on POA property or by the removal of dirt or lake bed material from POA property.

b. It is the responsibility of all Members and/or Property Owners to know where their platted lot lines are. Except for property owned by the Cassie Community Association, Cassie Volunteer Fire Department, and the County of Burnet, Texas, if any, Cassie Property Owners' Association, Inc. owns all property in the Cassie Subdivision not within the platted lot lines and, except for land, if any, owned by the LCRA just south of the southern most part of the Cassie Subdivision, all of the land generally described as the land between the Cassie Subdivision lot lines and the old riverbed of the Colorado River.

c. The Board may deny all relief requested by a Member or Property Owner, if the Member or Property Owner who is requesting POA permission relating to the POA's property, has claimed or is claiming any rights in POA property beyond the normal rights of a POA Member or Property Owner, if any. The only way a previous or present claim by a Member and/or Property Owner of an ownership in POA property can be resolved is for the Member and/or Property Owner or to sign and acknowledge a document describing the Member's or Property Owner's property and the POA's property and containing a provision in which the Member and/or Property Owner renounces any claim of any ownership interest in POA Property in a document which meets the requirements of a document to be filed in the Burnet County Clerk's real property records.

d. The Board may deny all relief requested by a Member or Property Owner, if the Member or Property Owner who is requesting POA permission relating to the POA's property, is in violation of the Board's rules or policies or has failed to fully comply with a Board Order, as determined by the Board in its sole discretion.

Lake Bed Land Below the *Original 1020 Ft. Elevation Line* (Section)

I. Dirt Work

- a. Property owners shall be permitted to level out excess build-up of sand in front of their property and fill in areas trapping water.
- b. Such work shall not overlap on adjoining lake front property unless adjacent property owners give approval.

2. Removal of Sand and Dirt

- a. Except as provided below, prior written approval shall be obtained from the Property Owners Association (herein after referred to as "POA") before sand or dirt is removed from the lakebed.
 - (1) With ten (10) days prior written notice to the POA Board of Directors ("Board") enclosing a copy of the LCRA permit, Property Owners shall be allowed to remove the amount of dirt and fill allowed by the LCRA permit up to 500 cubic yards from the lakebed at a point beginning twenty feet from their platted property line toward the lake. The dirt or fill cannot be removed below the original lakebed level or clay, whichever is less. The dirt or fill removal cannot extend to adjoining owners' property or POA property within an adjacent property owners' projected property lines without the adjacent property owners' written permission being submitted to the board 10 days prior to the removal. Property Owners must get permission from any other entity requiring such approval prior the removal of any dirt or fill from the lakebed, including the LCRA and the U. S. Corps of Engineers – Ft. Worth District. In the event of removal of more than 500 cu. yards, permission must also be obtained from the U. S. Corps of Engineers – Ft. Worth District.
- b. The ten (10) day notices provided above will allow the Property Owner to remove dirt to fill for a period of 30 days after the expiration of the 10 day notice period. The notices to the Board must be mailed certified mail, return receipt requested or actually received by the Board to be effective. Hand delivery of the notice may be made to any officer of the Board. Oral notice is not sufficient.
- c. Neither the LCRA nor the U. S. Corps of Engineers can give Property Owners permission to violate the POA's Rules.

- d. The area worked-on shall not be left in an unsightly condition, must be smooth and cannot trap water. The Board will determine compliance using its sole discretion.

3. Channels

- a. Prior written approval shall be obtained from the P.O.A. before natural drainage areas into the lake are worked on, deepened or cleaned out.
- b. Prior written approval shall be obtained from the P.O.A. before boat channels or other types of channels or holes are dug.
 - (1) This could be considered dredging and, if so, dredging is prohibited unless a permit is granted the U.S. Corps of Engineers – Fort Worth District.
- c. No Fixed Property can be placed in a Channel without prior P. O. A. written approval.

4. Major Channels – Man Made to Create Water Front Lots

- a. Property owners shall be permitted to clean out such channels. Prior written approval shall be obtained from the P.O.A. before work is started.

5. Fill Material

- a. Discharge of any kind of material – dirt, sand, building material, concrete, etc. below the original 1020 ft. line is prohibited by the POA, the LCRA and the U. S. Corps of Engineers – Ft. Worth District.

6. Retaining Walls (Seawalls)

- a. Except as provided in subparagraph b. of Section 6, retaining walls shall not extend beyond the platted lines of the Property Owner's property.
- b. The Board can allow a seawall or retaining wall to be built on POA Property if the Board finds it would cause the Property Owner undue hardship to build within the Property Owner's platted lot lines, it is in the best interest of the Cassie community and the following conditions are met:
 - i. The Property Owner signs a Fixed Property Document.
 - ii. The Property Owner provides concrete steps for access over POA Property which is behind the seawall or retaining wall, if the Board find steps would be appropriate.
 - iii. The seawall or retaining wall is built according to plans and out of materials approved in writing by the Board.

iv. The seawall or retaining wall does not interfere with or cut off adjacent property owners' water front property rights as determined by the Board in its sole discretion.

v. No work or constriction shall began until the Board's approval is in writing and all of the Board's conditions have be met or complied with and all the required documents have been signed, notarized and delivered (actually received by) to the Board.

vi. Except in extraordinary circumstances, no seawall or retaining wall can be located at more then twenty (20) feet from the Property Owner's platted lot lines.

vii. Unless the Board makes an exception, adjacent neighbors must have given their written permission to build the seawall or retaining wall as proposed by a Member and/or a Property Owner.

vii. Unless the Board makes an exception, the seawall or retaining wall must meet adjoining property's seawalls or retaining walls, and, if no sea wall or retaining wall exists, adjoining property's lot lines.

viii. The Property Owner provides the Board a copy of the permit issued by the LCRA.

7. Build-up of Land Beyond the *Original* 1020 Ft. Line

a. Bringing in dirt or other material from the outside or getting sand or dirt from the lakebed to extend a property owner's lot beyond his/her platted lot lines is prohibited, except as provided in Rule 6 above.

8. Water Lines, Pipe Stands and Other Underwater Objects

a. Water lines should generally be laid in front of one's property.

b. No Fixed Property shall be placed beyond the original 1020 foot elevation line without prior written Board approval.

9. Structures

a. Prior written approval shall be obtained from the P.O.A. before Fixed Property is erected beyond a Property Owner's platted lot lines. See the "Written Permission Needed" Section.

b. Moveable boat docks and floating docks are permissible as long as they comply with current POA rules and current LCRA rules, are not within the projection of other Property Owners' platted lot lines and are well maintained.

c. Erection of fences beyond a property owner's platted lines is prohibited.

- d. Boat docks for three (3) or more boats shall comply with marina regulations applicable to the Highland Lakes.
 - e. Fixed Property must be maintained in good condition at the sole cost of the Member and/or Property Owner.
10. **Dumping in the Lake Bed**
- a. Dumping of anything, including but not limited to, sewage, hazardous waste, gasoline, trash, building materials, house wastes, petroleum products, fill dirt, rock, concrete, old car/truck tires, etc., in the lake is prohibited.
 - b. Dumping of waste products of motor coaches, campers, trailers, etc., in the lake bed is prohibited.
11. **Burning in the Lake Bed**
- a. Burning of household garbage, paper and trash is prohibited.
 - b. Burning of leaves, brush, and/or tree trimmings under controlled conditions is permissible, except during a burn ban imposed by Burnet County authorities.
12. **Camping**
- a. Camping on the lake bed property by property owners, their guests or the public is prohibited.
13. **Driving on Lake Bed Property**
- a. Except for the use of maintenance equipment doing authorized work on the lakebed, driving of motorized modes of transporting people or property of any kind on the lakebed is strictly prohibited.
 - b. Driving across water lines in the lake bed is strictly prohibited.
14. **Firearms**
- a. Discharge of firearms from the lake bed property or into the lakebed or water is prohibited, except for legal duck hunting from a boat floating in the lake with the hunters shooting away from the shoreline.
15. **Lighting**
- a. No vapor and other high intensity lights can be installed or used on POA Property.
 - b. Incandescent lighting can be used on POA property when allowed or required by the Board, but not with more than one 15 watt bulb per fixture or an aggregate of more than 60 watts total for all the light fixtures.
 - c. No vapor and other high intensity lights can be installed or used on lots that shine onto or illuminate POA property or lots of adjoining property owners or

which are activated by motion or activity on adjoining property owner's lots or POA property.

16. Boat Ramp

- a. One NUMBERED boat ramp key will be issued upon request, to a CURRENT POA member. No more than one key will be issued regardless of the number of family members. Keys MUST NOT be copied under any circumstances.
- b. DO NOT leave the boat ramp chain unlocked for any reason.
- c. Keys to the boat ramp lock WILL not be assigned to anyone except CURRENT POA members. A CURRENT POA member is a member who has paid dues for the current year and the past four consecutive years.
- d. Use of the boat ramp will be one's agreement to the boat ramp rules and regulations.
- e. The owner or owners of the vehicle, trailer and/or boat are responsible for the proper and lawful use of the vehicle, trailer and boat at the boat ramp; and the proper use of the boat in the no wake areas of Lake Buchanan adjacent to the Cassie Subdivision.
- f. DO NOT block the paved or dirt road access at the boat ramp or S. Chaparral.
- g. A member shall not give a boat key to a non-POA member, or a person who is not the guest of a POA member.
- h. If a POA member loses a key, a new key may be issued to the member upon the member paying a \$25.00 fee and executing an affidavit stating that the key has not been given to a non-qualifying person, or was lost under circumstances in which it is not likely the key will be found.
- i. The boat ramp lock will be re-keyed August 1, and new keys may be requested by CURRENT POA members only.

17. Access Ways

- a. A boat ramp tag ("tag") will be required to be hung from a vehicle's mirror or placed on the dash board of a vehicle when the vehicle is on the POA's access ways until August 1, 2006.
- b. Access Ways cannot be used for launching any motorized water craft (except small fishing boats (14 feet in length and under and jet skis at Access Way #1 at South Chaparral and Agarita).

c. There shall be no loud sounds created, produced or enhanced by electrical, battery powered or electronic equipment of any kind without POA written permission. "Loud sounds" is defined as a sound that can be heard on the adjacent lots.

d. No fireworks shall be used or located on the access ways.

f. There shall be no placing, piling, stacking, dumping or burning of brush, limbs, leaves or garbage or any other material or substance except for clearing done on the access ways by the POA.

18. Loss of the Right to Use POA Property

a.1. In addition to other remedies, the Board may prohibit the use of POA Property by Owners and their guests when the Owners or their guests:

i. have failed to comply with a Board Order after the time for compliance has expired and the Board finds the failure to comply is of a significant nature and has a detrimental effect impact on the Cassie subdivision, or

ii. have attempted to claim ownership of POA property or attempted to use or possess POA property to the exclusion of the POA or other Owners, or

iii. have frequently violated POA Rules or Policies (two or more times), having been warned in writing the first time, or the continued violation of one or more POA Rules or Policies after have been warned in writing on two previous occasions (at least 10 days apart).

iv. have committed a criminal offense as defined by Texas Penal Code which involves a felony or involves an assault or violence upon another person.

v. has committed an act or omission in the Cassie Subdivision or on or over POA property which violated a statute or law (negligence per se) and which could have resulted in serious property damage (over \$5,000.00) or serious bodily injury or death.

2. Notice is considered received when deposited with the USPS CMRRR and first class mail, postage prepaid at the last address the POA has on record.

3. "Attempted" shall mean an actual attempt or when a reasonable person would believe the attempt was made.

b. The Board may reinstate the Owner's right to use POA Property in its sole discretion.

19. Tenant's Use of POA Property

- a. Tenants and their guests may not use POA property without paying an amount equal to the membership fee, filling out an application signed by the Tenant(s) and the Owner(s), complying with the rules applicable to Tenants, and following all the other POA Rules and Policies.
- b. Tenants are welcome to attend POA monthly and special meetings, not the annual meeting, and to engage in discussions, but they do not have the right to a vote.
- c. To qualify to use POA property the Tenancy must be for a residential use for a minimum term of six (6) months. Renting or leasing property for a term of less than six (6) months is considered a commercial use of the property.
- d. A copy of the lease must be provided to the POA by the Tenant(s) or the Owner of the leased property.
- e. The Owner of the leased property must be a paid member of the POA and in good standing.
- f. The boat ramp tag must be surrendered to the POA at the end of the Tenancy.
- g. Tenants of Owners are not "guests" of the Owners.

Access Areas Section (Excluding the Boat Ramp)

1. **Purpose**
 - a. The access areas are for the exclusive use of Property Owners and their guests.
2. **Launching of Boats**
 - a. After boats are launched, vehicles and boat trailers shall be moved to areas between the roadway and 50 feet from the roadway.
3. **Moveable Boat Docks and Floating Docks**
 - a. Property Owners adjacent to access areas shall not place anything in the access areas or place their docks in locations that will interfere with a boat launcher's navigation rights or use of the shore and water at the access areas.
4. **Structures**
 - a. No structures of any kind or Fixed Property shall be placed or erected on the access areas unless approved in writing by the P.O.A.
5. **Dumping**

a. Dumping of any kind is prohibited.

6. Camping

a. Camping of any kind is prohibited.

7. Storage

a. Access areas shall not be used to store any type of vehicles, boats, equipment, property, etc.

8. Parking (other than temporary parking necessary for boat launching)

a. Access areas shall not be used by Property Owners or others to park their vehicles, boats, etc. The access areas shall not be used as storage yards.

9. Dirt Work

a. Prior written approval must be obtained from the P.O.A. before any dirt work or removal of sand or fill, etc., from channels leading from access areas to the lake.

Fixed Property Document:

Fixed Property Document to be signed by Member(s) and/or Property Owner(s) placing the Fixed Property on POA property shall state the Member and/or Property Owner:

1. Adverse Possession

a. Does not and will not claim any interest in POA property by adverse possession or otherwise;

2. Cassie Members Rights to Use:

a. Recognize other Cassie members' rights to use the Fixed Property, except for piers and docks which may not be used by other Cassie members for any reason unless the owner of the dock and/or pier gives permission to them for such use;

3. Indemnification:

a. The Members and/of Property Owners shall defend (with an attorney of the POA's choice), indemnify and hold harmless the POA and all of its directors, officers, employees, agents, and assigns (In this Indemnification Section all are referred to as "POA") from any and all liabilities (including strict liability), actions, demands, penalties, losses, personal injury or death, costs or expenses (including, without limitation, attorneys' fees, costs and expenses), suits, costs of any settlement or judgment and claims of any and every kind whatsoever ("Damages") which may now or in the future be paid, incurred or

suffered by or asserted against POA by any person or entity or government or government agency, with respect to, or as a direct or indirect result of, proximate cause of, or producing cause of the Member's and/or Property Owner's use of POA Property or the design, construction, maintenance, placing or use of Fixed Property on POA Property. **THE MEMBERS' AND/OR PROPERTY OWNERS' INDEMNIFICATION AND HOLD HARMLESS AS SET FORTH ABOVE WILL BE IN FULL FORCE AND EFFECT REGARDLESS OF WHETHER OR NOT THE POA'S NEGLIGENCE CAUSED OR CONTRIBUTED TO THE CAUSE OF THE DAMAGES .**

4. Maintain Fixed Property:

a. Will maintain the Fixed Property in good condition at the sole cost of the Member and/or Property Owner;

5. Removal of Fixed Property:

a. Agree to remove the Fixed Property, or any part thereof, as, if and when POA Board directs;

6. Changes in Condition of Fixed Property:

a. Will remove the Fixed Property when it becomes in disrepair or as directed by the Board (The Member's and/or Property Owner's obligation to remove the Fixed Property arises immediately upon the Fixed Property becoming in disrepair unless the necessary repairs are completed promptly. The knowledge of any Board member about the disrepair of the Fixed Property shall not relieve the Member's and/or Property Owner's duty to comply with these rules.); and

7. Affect on New Owners of Responsible Members Property:

a. Except for a lender who holds a first lien and only to the extent allowed by law, the responsibilities to comply with these rules and all existing Board orders imposed on Members and/or Property Owners are automatically imposed on any new owners of any interest in the Member's and/or Property Owner's Cassie lot or lots.

Violations Section

1. Remedies When a Member and/or Property Owner Takes Action in Violation of the Board's Rules or Policies and Without Prior Written Board Permission:

a. Board Orders which result from the placing of Fixed Property on POA property in violation of the Board's Rules or Policies or without prior written Board approval or the violation of the Board's Rules or Policies may include any of the following provisions requiring the responsible Members and/or Property Owners to:

- i. Remove all of the Fixed Property from POA property;
- ii. Remove a portion of the Fixed Property from POA property as directed by the Board;
- iii. Sign the Fixed Property Document;
- iv. Modify the Fixed Property as directed;
- v. Replace the fill or other lake bed material that was removed and compact the same in its original place on POA property;
- vi. Remove any property or material improperly placed on POA property or in the lake and to clean up any contamination and repair any damage caused thereby;
- vii. Suspend or revoke a Member's membership in the POA and, if desired by the Board, a statement of the reason for the suspension and/or revocation and/or a statement of how the membership can be reinstated;
- viii. A provision stating that the Members and/or Property Owner's who are the subject of the Order shall repay the Cassie Property Owner's Association, Inc. its costs and expenses incurred in investigating, determining, establishing, and developing evidence of the placing of Fixed Property on POA property in violation of the Board's Rules or Policies or without prior written Board approval or the violation of the Board's Rules or Policies has occurred, the extent of the occurrence, and the possible solutions;
- ix. A provision providing that the Members and/or Property Owners who are the subject of the Order are jointly and severally liable to the Cassie Property Owner's Association, Inc. for reasonable and necessary attorney's fees and expenses incurred by it relating to the placement of Fixed Property on POA property in violation of the Board's Rules or Policies or without prior written Board approval or the violation of the Board's Rules or Policies; and
- x. A provision containing such other orders as the Board, in its sole discretion, shall make.

xi. Revocation of boat ramp privileges, particularly a violation of the rules related to the boat ramp.

xii. Levy of a fine in an amount not to exceed \$200.00 per day in the case of a continuing violation or per violation in the case of multiple violations.

xiii. An owner may lose all rights of membership.

b. The Board Orders must include the following:

i. Comply with all the Cassie Property Owners' Association, Inc.'s Rules and Policies unless an applicable rule or policy specifically allows the Board to grant a variance or waiver; and

ii. Suspension and/or revocation of the Members' membership, if the Members have not fully complied with the Board's Order within the time limit set by the Order. The Board will use its own discretion to determine if Board's Order has been fully complied with.

d. Unless otherwise noted, the Order must specify that the costs of complying with the Board's Order will be a joint and several responsibility of the Members and/or Property Owners who are the subject of the Order.

e. Contain a provision that provides that in the event the Members and/or Property Owners who are the subject of the Order do not comply with the Order within the time limit set by the Order, the Board is authorized, but not obligated, to perform and/or complete the requirements of the Order and the Members and/or Property Owners who are the subject of the Order will be jointly and severally liable to Cassie Property Owner's Association, Inc. for the costs and expenses incurred by Cassie Property Owner's Association, Inc. in its performance and/or the completion of the requirements of the Order.

f. A copy of the Board Order and any attachments, and, if applicable, an affidavit of the costs and expenses incurred by Cassie Property Owner's Association, Inc. as herein provided, may be recorded in the Burnet County Real Property Records, if within the time limit for compliance set by the Order, there is not full compliance with the Order to the Board's satisfaction as determined in its sole discretion.

2. **Obligations of Noncompliant Members and/or Property Owners**: Any member and/or Property Owner who places Fixed Property on POA property in violation of the Board's Rules or Policies or without prior written Board approval, shall be subject to the same responsibilities as if they had signed the Fixed Property Document and are also subject to any order the Board may issue pursuant to these or any other existing rules, regulations and policies.

3. **Joint and Several Liability**: All owners of any interest in a lot in Cassie Subdivision are jointly and severally responsible for compliance with any and all Orders issued by the Board of Directors of the Cassie Property Owners' Association, Inc. with respect to the lot which is the subject to a Board Order and in which they have an ownership interest.

Disclaimer Section

1. **POA Disclaims Responsibility:**

a. The POA will not accept liability or claims for property damage or bodily injury or death resulting from accidents occurring on POA property.

2. **Types of Accidents:**

a. Type of accidents, includes but is not limited to:

i. Accidents involving vehicles,

ii. Accidents involving structures, boat docks, floating docks, pumps, etc.,

iii. Accidents involving submerged objects.

3. **Insurance:**

a. The POA strongly recommends every Property Owner obtain liability insurance protection.

Non-waiver of Rules and Board's Orders

1. **Non-waiver:**

a. A waiver or delay in the enforcement of any POA's Rules, Policies or Orders shall not constitute a waiver of its rights in the future to enforce any of the Board's Rules, Policies or Orders.