

BYLAWS  
OF  
SAHALEE HOMEOWNERS ASSOCIATION

ARTICLE I  
NAME AND LOCATION

Section 1. Creation. The Property known as Sahalee Subdivision, consisting of that certain parcel of land, and all improvements situate thereon, situated in the Anchorage Recording District, Third Judicial District, State of Alaska, and more particularly described in Exhibit "A" attached hereto and made a part hereof by reference, has been submitted to the Declaration of Covenants, Conditions and Restrictions for Sahalee, (hereinafter the "Declaration") which was recorded on 8/5, 1998 in Book 3301 at Page 402, Anchorage Recording District.

Section 2. Applicability of Bylaws. The provisions of these Bylaws are applicable to the Project which include the land and all the structures and improvements located thereon. All present and future Owners, their families, present and future tenants, and their guests and invitees, and any other person using the facilities in any manner are subject to the Project Documents, including these Bylaws and any rules adopted by the Executive Board. Acquisition, lease, rental or occupancy of any of the Lots shall signify that these Bylaws are accepted and ratified and shall be complied with by the occupant.

Section 3. Definitions. Unless otherwise specified, the terms in these Bylaws shall have the same meaning as such terms have in the Declaration and under the Alaska Common Interest Ownership Act (AS 34.08.010 et. seq.).

ARTICLE II  
MEMBERSHIP

Section 1. Membership. The Owner upon acquiring title thereto shall automatically become a Member of the Sahalee Homeowners Association, Inc. (herein called "The Association") and shall remain a Member thereof until such time as his or her ownership of such Lot ceases for any reason.

Section 2. Register of Members. The Executive Board (hereinafter "Board") shall cause a register to be kept containing the names and addresses of all Members of the Association. Members of the Association who sell or convey their interest in a Lot shall promptly report to the Board the name and

address of their successor in interest. A Member of the Association, shall upon request, furnish the Board with a copy of any document under which he obtained ownership of a Lot, or any interest therein, and any documents creating a security interest in such Lot.

Section 3. Responsibilities of Members. Any person, including the Declarant, on becoming an Owner, will automatically become a Member and be subject to these Bylaws. The membership will terminate without any formal Association action whenever that person ceases to own a Lot, but termination will not relieve or release any such former Member from any liability or obligation incurred under the Declaration or in any way connected with the Association during the period of that Membership, or impair any rights or remedies that the Board or others may have against that former Member arising out of ownership of the Lot and Membership in the Association and the covenants and obligations incident thereto.

Section 4. Membership Certificates. No certificates of stock will be issued by the Association, but the Board may, if it so elects, issue membership cards to Members.

### ARTICLE III

#### ASSOCIATION: MEETINGS, QUORUM, VOTING, PROXIES

Section 1. Place of Meetings. Meetings of the Association shall be held in such suitable place convenient to the Members as may be designated by the Board.

Section 2. Annual Meetings. The first annual meeting of Members shall be held as soon as practicable, but not later than 60 days, after the conveyance by Declarant of seventy-five percent (75%) of the Lots.

Thereafter, the annual meeting of the Association shall be held on a date and time set by the Board. The purpose of such meeting is for the election of the Board and the transaction of such other business of the Association as may properly come before the meeting.

Section 3. Special Meetings. Special meetings of the Association may be held at any time upon the call of the President, or by a majority of the Directors of the Board, or upon the written request of Members who are collectively are entitled to vote at least twenty-five percent (25%) of all of the votes of the Association.

Section 4. Notice of Meetings. The Secretary shall at least ten (10) days before the date set for each annual and special meeting give written notice thereof to each Member

according to the Association's register of Membership, stating whether it is an annual or special meeting, the authority for the call thereof, the place, day and hour of such meeting and the purpose therefor, in any of the following ways: (a) by leaving the same with him or her personally or (b) by mailing it, postage prepaid, addressed to him or her at his or her address as it appears on the register of Membership of the Association. If notice is given pursuant to the provisions of this section, the failure of any Member to receive actual notice of such meeting shall in no way invalidate the meeting or any proceedings thereat.

Any institutional holder of a first mortgage on a Lot will, upon request, be entitled to written notice of all meetings and is entitled to attend (by agent, employee, or other designee) all such meetings.

Section 5. Quorum. The presence at any meeting in person or by proxy of one-third (1/3) of the Members as herein defined shall constitute a quorum. The vote of a majority of the quorum present at any meeting shall be binding upon the Association except as otherwise provided herein. If, however, the quorum is not present or represented at the meeting, the Members entitled to vote at the meeting will have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented by proxy.

Section 6. Voting. Each Member shall have one vote for each Lot owned. An executor, administrator, guardian or trustee may cast the vote in person or by proxy at any meeting of the Association for any Lot owned or controlled by him in such capacity, whether or not the same shall have been transferred to his or her name in the Association's register of Membership, provided that he shall first present evidence satisfactory to the Secretary that he owns or controls such Lot in such capacity. In the event the Lot is owned by more than one person, firm, corporation, trustor, or combination thereof, the vote for the Lot will be exercised by one person or alternative persons as the Owners among themselves determine. If more than one of the multiple Owners are present at a meeting in person or by proxy, the vote allocated to their Lot may be cast only in accordance with the agreement of a majority in interest of the multiple Owners, and if a majority of the multiple Owners cannot agree, the multiple Owners of that Lot will not be entitled to vote.

An Owner of a Lot that is leased may assign his voting right to the tenant, provided that the tenant is appointed to vote on behalf of the Owner by proxy and the proxy is furnished to the Secretary of the Association before any meeting in which the tenant exercises the voting right.

Section 7. Actions Binding on Members. A majority of votes intended to be cast by Members constituting a quorum in person or by proxy will be sufficient to make decisions binding on all Owners, unless a different number or method of voting is expressly required by statute or by the Declaration, Articles, or the Bylaws.

Section 8. Majority of Owners. As used in these Bylaws, the term "majority" will mean those votes totaling more than fifty percent (50%) of the total number of votes.

Section 9. Voting by Mail. Voting by mail is permitted for election of the Board, amendment of the Articles, adoption of a proposed plan of merger, consolidation, or dissolution under the provisions of the Act, each as amended from time to time, or other questions that come before the Association. In the case of a vote by mail, the Secretary of the Association will give written notice to all Members, which notice will include a proposed written resolution setting forth a description of the proposed action, a statement that the Members are entitled to vote by mail for or against the proposal, a statement of a date not less than 20 days after the date the notice will have been given by which all votes must be received, and the specified address of the office to which all votes must be sent. Votes received after that date will not be effective. Delivery of a vote in writing to the designated office will be equivalent to receipt of a vote by mail at that address for the purpose of this section.

Section 10. Proxies. Votes may be cast in person or by proxy of the Member as shown by the register of Membership of the Association. The authority given by any Member to another person to represent him at meetings of the Association shall be in writing, signed by such Member and filed with the Secretary, and unless limited by its terms shall continue until revoked by a writing filed with the Secretary or by the death or incapacity of such Member. No proxy will be valid if it is not dated or if it purports to be revocable without notice.

Section 11. Waiver of Notice. Waiver of notice of a meeting of the Members will be deemed the equivalent of proper notice. Any Member may waive, in writing, notice of any meeting of the Members, either before or after the meeting. Attendance at a meeting by a Member, whether in person or by proxy, will be deemed a waiver by the Member of notice of the time, date, and place of the meeting unless that Member specifically objects to a lack of proper notice at the time the meeting is called to order. Attendance at a special meeting will also be deemed a waiver of notice of all business transacted at the meeting unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a

vote.

Section 12. Action Without Meeting. Any action, which under the provisions of the Alaska Statutes may be taken at a meeting of the Members, may be taken without a meeting if authorized by a writing signed by all of the Members who would be entitled to vote at a meeting for such purpose, and filed with the Secretary.

Section 13. Books and Records. Any Member or institutional holder of a first mortgage on a Subdivision Lot shall, upon request, be entitled to inspect the books and records of the Association during the normal business hours.

Section 14. Parliamentary Authority. In the event of dispute, the parliamentary authority for the meetings shall be the most current available edition of Roberts Rules of Order, Revised.

#### ARTICLE IV EXECUTIVE BOARD

Section 1. Number and Qualifications. The direction and administration of the Declaration and the affairs of the Association shall be vested in a Board composed of not less than three (3) and no more than five (5) Directors, who shall be elected as hereinafter provided. Each Director of the Board shall be one of the Members, except for those elected and serving on the initial Board; provided, however, that, in the event a Member is a corporation, partnership, trust, or other legal entity other than a natural person or persons, then any officer, shareholder or Director of such corporation, partner of such partnership, beneficiary or individual trustee of such trust, or manager of such other legal entity, shall be eligible to serve as a Director of the Board.

Section 2. Directors During Declarant Control. During the period of Declarant control the Board will be selected by Declarant and will serve at the sole discretion of Declarant, subject, however, to the provisions of the Act (providing for gradual transition of control of the Board as Lots are sold.

Section 3. Election of Directors as Lots Close. From time to time as sales of Lots in the Project proceed, Declarant will yield control of one or more seats on the Board as necessary to comply with the Act. Each time that Declarant is required to transfer control of a Director's position, a special meeting of the Association will be called for the purpose of electing a new Director to take the place of the Director designated by Declarant.

Section 4. Election of Directors After Period of Declarant Control. Upon termination of the period of Declarant control in accordance with the Declaration, a special meeting of the Association will be called, at which Declarant will turn control of the Association over to the other Members as provided by the Act. The Members will elect a new Board, and any terms of Directors appointed by Declarant that have not expired will terminate at that time. Subsequently, Directors will be elected by the Members at each annual meeting of the Members.

Section 5. Election and Term. The term of office for the initial full slate of Directors elected by the Members will be fixed at the time of their election as they themselves will determine to establish a system of three-year terms in which at least one-third of the Board is elected each year, and the Board will identify in which year the Directorships for each category of representation are subject to election. For example, if the number of Directors on the initial Board is set at three under Section 1 above, one Director will serve for a one-year term, one Director will serve for a two-year term, and one Director will serve for a three year term. At the expiration of the initial term of office of each respective Director, a successor will be elected to serve three years. Each Director will hold office until such Director's successor is elected by the Members and qualified to take over the office. At each annual meeting of the Members, the Members shall, by a vote of a majority of the Members present at such meeting, elect the Director(s) of the Board for the ensuing term.

Section 6. Vacancies. During the period of Declarant control, if a Director appointed by Declarant dies, becomes disabled, or resigns, Declarant will appoint a new Director to serve the balance of the term of the resigning, disabled or deceased Director. If a director elected by the Members dies, becomes disabled, or resigns, the vacancy in the Board shall be filled by vote of a majority of the remaining Directors, even though they may constitute less than a quorum, and each person so elected shall be a Director until his or her successor is elected at the next annual meeting of the Association. In addition, a Director's continuous absence from the State of Alaska for more than six (6) months, missing three consecutive meetings, or his or her ceasing to be the sole Member or Co-Member shall cause his or her office to become vacant.

Section 7. Removal of Directors. At any regular meeting or special meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by vote of a majority of Members and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Members shall be given an opportunity to be heard at such meeting.

ARTICLE V  
MEETINGS of DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board will be held at such regular times as set by the Board, at such place and hour as may be fixed from time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board may be called by the President, or by any two Directors, after not less than three (3) days notice to each Director.

Section 3. Waiver of Notice. Before or at any meeting of the Board, any Director may in writing waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice to him of such meeting, except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the waiver of notice of such meeting.

Section 4. Quorum of Board. At all meetings of the Board a majority of the total number of Directors established by these Bylaws shall constitute a quorum for the transaction of business, and the acts of a majority of the Directors present at any meeting at which a quorum is present shall be the acts of the Board.

Section 5. Action Taken Without a Meeting. The Directors will have the right to take any action that they could take at a meeting in the absence of a meeting by obtaining the written approval of all the Directors. Any action so approved will have the same effect as though taken at a meeting of the Directors.

ARTICLE VI  
POWERS AND DUTIES OF THE EXECUTIVE BOARD

Section 1. General. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things therefor as are not by law, by the Declaration or by these Bylaws, directed to be exercised and done only by the Members.

Section 2. Specific Powers and Duties. Without limiting the generality of powers and duties set forth in Section 1 of this Article VI, the Board shall be responsible for, but not

limited to, the following:

- (a) Management and operation of the Association and maintenance, repair, and rebuilding of certain facilities described in the Declaration;
- (b) Establishment and collection of annual or special assessments against the Members for common expenses, and fines; and
- (c) Appointment and dismissal of any personnel necessary for operation of the Association.
- (d) Execution of contracts within the scope of their duties and powers.
- (e) Administration, interpretation and enforcement of the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration and Bylaws.
- (f) Establishment, and enforcement of such reasonable rules and regulations as may be necessary for the operation of the Association and the use and occupancy of Lots with the right to amend same from time to time.
- (g) Borrowing of funds and execution of all such instruments evidencing such indebtedness. Any such indebtedness shall be the equal and several obligation of all the Members.
- (h) Purchase and maintenance at all times of all policies of fire and liability insurance and such other insurance and bonds as may be provided by the Declaration or by these Bylaws or authorized by the Board.
- (i) Custody of all funds of the Association, and maintenance of full and accurate books of account and records of said funds.
- (j) Arbitration of disputes as provided in Article XII, Section 12.06 of the Declaration.



(k) In general to do all of those things necessary and reasonable in order to carry on the administration of this Common Interest Community.

Section 3. Managing Agent. The Board may employ professional management to manage and control the Association at such compensation and with such administrative powers and duties as the Board may establish and delegate.

a. The Manager will maintain fidelity insurance coverage or a bond in an amount not less than the greater of:

(i) The amount equal to the maximum funds that will be in the custody of the Association or the Manager; or

(ii) Such higher amount as the Board may require.

b. The Manager will maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the Manager and will maintain all reserve accounts of each association so managed separate from operational accounts of the Association, each with appropriate access controls, and the bank where the accounts are located must send copies of monthly bank statements directly to the Association.

c. The Manager will prepare and present to the Association an annual accounting of funds and a financial statement of the Association.

4. Hearing Procedure. The Board will not impose a fine, suspend voting, or suspend any rights of a Member or other occupant of the Common Interest Community for violations of rules and regulations or of the provisions of the Project Documents unless and until the hearing procedures established by the Association are followed.

## ARTICLE VII OFFICERS AND DUTIES

Section 1. Designation. The principal officers of the Association shall be the President, Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time to time create by resolution. One person may hold two or more offices, except that the offices of President and Secretary shall be filled by different persons. Following the expiration of the period of Declarant control, all officers of the

Association must be Owners of Lots.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board at its annual meeting and shall hold office at the pleasure of the Board.

Section 3. Removal and Removal of Officers. Upon an affirmative vote of a majority of the Members of the Board of Directors, any officer may be removed, either with or without cause. Any officer may resign at any time by giving written notice to the Board. A vacancy in any office may be filled by appointment of the Board. The officer appointed to the vacancy will serve for the remainder of the term of the officer replaced.

Section 4. Duties. The duties of the officers are as follows:

a. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board; see that orders and resolutions of the Board are carried out; cause to be prepared and execute, certify, and record amendments to the Declaration on behalf of the Association; and exercise and discharge such other duties as may be required by the Board.

b. Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board.

c. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable affects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board.

d. Secretary. The Secretary shall attend and keep the minutes of all meetings of the Board or of the Association; shall give all notices as provided by these Bylaws, and shall have other powers and duties as may be incidental to the office of Secretary, given to him by these Bylaws or assigned to him from time to time by the Directors.

e. Auditor. The Association may, at any meeting appoint some person, firm or corporation engaged in the business of auditing to act as auditor of the Association, and to perform such audits and fiscal duties as may be required by the Act or

requested of him by the Association.

Section 5. Execution of Instruments. All checks, drafts, notes, acceptances, conveyances, contracts and other instruments shall be signed on behalf of the Association by such person or persons as shall be provided by general or special resolution of the Board of Directors or, in the absence of any such resolution applicable to such instrument, by the President or Vice President and by the Treasurer or Secretary.

#### ARTICLE VIII COMMITTEES

The Board may appoint such committees as the Board deems appropriate in carrying out its purposes.

#### ARTICLE IX INDEMNIFICATION

Section 1. Scope of Indemnification. To the extent permitted by law and consistent with the Articles of Incorporation, the Association will indemnify every member of the Board, and every officer, employee, and agent of the Association and every person who serves at the request of the Association as a director, employee, fiduciary, or agent against liability asserted against or incurred by that person in that capacity or arising out of that person's capacity as such.

Section 2. Settlements. In the event of a settlement, the Association will provide indemnification for those matters covered by the settlement only if counsel advises the Association that the person to be indemnified has not been guilty of the alleged actions or omissions in the performance of the person's duties for the Association.

Section 3. Does not Exclude Other rights. The foregoing rights will not be exclusive of other rights to which the member may be entitled.

Section 4. Treated as Common Expense. All liability, loss, damage, cost, and expense arising out of or in connection with the foregoing indemnification provisions will be treated and handled by the Association as a Common Expense.

#### ARTICLE X NONPROFIT CORPORATION

Section 1. No Distribution of Profits. The Association is not organized for profit. No Director of the Board, or person from whom the Association may receive any property or funds will receive or will be lawfully entitled to

receive any pecuniary profit from the operations of the Association, and in no event will any part of the funds or assets of the Association be paid as a dividend or be distributed to, or inure to the benefit of, any member of the Board.

## Section 2. Compensation and Reimbursement.

Notwithstanding the foregoing:

a. No compensation shall be paid to a Director for services performed by him or her in his capacity as a director. No compensation shall be paid to him or her in any other capacity, unless a resolution authorizing such remuneration shall have been adopted by the Board before the services are undertaken.

b. Any Member or Director may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association, and any Director may be reimbursed for actual expenses incurred in the performance of his duties.

## ARTICLE XI AMENDMENTS OF BYLAWS

Section 1. Procedure. These Bylaws may be amended in any respect not inconsistent with any provisions of law or the Declaration by vote of sixty percent (60%) of the Members, at any meeting of the Association duly called for such purpose.

## ARTICLE XII MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Association will begin on the first day of January and end on the thirty-first day of December every year, except that the first fiscal year will begin on the date of incorporation.

Section 2. Conflict of Documents. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles will control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration will control.

The undersigned Declarant hereby adopts the foregoing Bylaws of its Association of Members, this 4TH day of AUGUST, 1998.

Sahalee Development, LLC.

By: Thomas W. Chappin  
Its: MANAGER

We, the undersigned, being the first Board of Directors of Sahalee Homeowners Association, Inc., as set forth in the Articles of Incorporation for such corporation hereby adopt the foregoing Bylaws as the Bylaws of such corporation.

BYLAWS

OF

SAHALEE HOMEOWNERS  
ASSOCIATION

EXHIBIT "A"

A Subdivision of Tract B, Sahalee Tracts filed under  
Plat No. 98-81, located within the S.W. ¼ of Section  
10, T12N, R3W, S.M., Anchorage Recording District,  
State of Alaska.

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BYLAWS

SAHALEE HOMEOWNERS  
ASSOCIATION

EXHIBIT "A"

SAHALEE HOMEOWNERS ASSOCIATION  
ADMINISTRATIVE RESOLUTION # 1  
ASSESSMENTS AND COLLECTIONS

WHEREAS, Article III Section 3.02 (a) of the Declarations of the Association grants the Association all the powers, authority and duties permitted pursuant to the Act necessary and proper to manage the business and affairs of the Common Interest Community, and

WHEREAS, Article VIII, Section 8.02 of the Declarations of the Association grants any Common Expense for services provided by the Association for the benefit of an individual Lot shall be against said lot, including any fees, charges, late charges, fines, collection costs, and interest charged against a Lot Owner pursuant to this Declaration and the Act, and

WHEREAS, Article IV, Section 2 of the Bylaws establishes the Powers and Duties of the Executive Board that include (b) establishment and collection of annual or special assessments against the Members for common expenses, and fines; and

WHEREAS, lien foreclosure procedures may be pursued under AS 34.08.470, and

WHEREAS, there is a need to establish consistent, orderly procedures for collection of delinquent Assessments, and

WHEREAS, the Board of Directors wishes to establish steps for collection of delinquent assessments,

NOW, THEREFORE, BE IT RESOLVED THAT

1. Assessments are levied annually.
2. Each annual assessment is due and payable on January 1, of each year, and is delinquent (30) days after the due date.
3. Delinquent annual assessments not paid by the last day of January shall be assessed a late charge of \$10.00 each month thereafter until the account is paid in full.
4. Delinquent assessments not paid within 270 days after which the assessment is due, may be referred to an attorney for collection.
5. Delinquent Assessments, including fines, fees and maintenance pass-through, in the amount equal to \$500 may be referred to an attorney for collections.
6. To protect the rights and resources of the Association, all available legal methods to collect delinquent assessments may be utilized including but not limited to small claims action, judgments, and foreclosure proceedings under AS 34.08.470.
7. All collection costs incurred shall be charged to the delinquent owner as an additional assessment against the unit.

Accepted for Review: July 6, 2005

Adopted by Board of Directors: October 19, 2005

Effective Date: October 19, 2005

**SAHALEE HOMEOWNERS ASSOCIATION  
ADMINISTRATIVE RESOLUTION # 2  
GARBAGE AND REFUSE DISPOSAL**

Distributed to owners for comment and review on August 21, 2008.

WHEREAS, Article III Section 3.02 (a) of the Declarations of the Association grants the Association all the powers, authority and duties permitted pursuant to the Act necessary and proper to manage the business and affairs of the Common Interest Community, and

WHEREAS, Article VIII, Section 8.02 of the Declarations of the Association grants any Common Expense for services provided by the Association for the benefit of an individual Lot shall be against said lot, including any fees, charges, late charges, fines, collection costs, and interest charged against a Lot Owner pursuant to this Declaration and the Act, and

WHEREAS, Article IV, Section 2 of the Bylaws establishes the Powers and Duties of the Executive Board that include (b) establishment and collection of annual or special assessments against the Members for common expenses, and fines, and

WHEREAS, garbage and refuse placed out early has been attracting bears and causing a safety hazard for the residents of the Association, and

WHEREAS, Anchorage Municipal Code 26.07.050 on Solid Waste Storage states that solid waste shall not be stored on or in view from any public street except on the day of garbage pickup, and

WHEREAS, Article VII Section 7.01 (l) of the Declarations of the Association states that trash, garbage or other waste must be kept in a secure and sanitary container and out of public view except on the eve or day of garbage pickup, and

WHEREAS, the current Association violation enforcement policy dated February 20, 2002, has not been effective in deterring some homeowners from placing garbage and refuse by the curb on days prior to the eve of garbage pickup, and

WHEREAS, the Board of Directors wishes to establish a policy that effectively enforces Article VII Section 7.01 (l) of the Declarations of the Association,

NOW, THEREFORE, BE IT RESOLVED THAT

1. A weekly refuse inspection of the Sahalee Subdivision may be made by a member of the Board of Directors or a member of the Modifications Committee on the day before the eve of garbage pickup.
2. Documentation may be made of all Lots that have garbage and refuse, including yard waste, in public view at the time of the inspection.
3. For first time violations of the Declarations regarding garbage and refuse disposal the Lot Owners shall receive a letter of warning.
4. For all subsequent violations of the Declarations regarding garbage and refuse disposal the Lot Owners may be fined \$100.




**Exhibit B.16**

5. This resolution replaces the Sahalee Homeowners Association Enforcement of Violations policy dated February 20, 2002, for violations regarding garbage and refuse disposal only. All other violations of the Declarations shall continue to be enforced by the February 20, 2002, policy.

Accepted for Review: August 13, 2008

Adopted by Board of Directors: November 12, 2008

Effective Date: November 12, 2008

  
~~Secretary~~ President

12 NOV 08  
Date

**SAHALEE HOMEOWNERS ASSOCIATION  
ADMINISTRATIVE RESOLUTION # 3  
Due Process**

WHEREAS, Article III Section 3.02 of the Declarations of the Association grants that the: Association shall have all the powers, authority and duties permitted pursuant to the Act necessary and proper to manage the business and affairs of the Common Interest Community. [AS 34.08.330], and

WHEREAS, Article VI, Section 2 of the Bylaws of the Association grants that the: Executive Board: has the authority of (e) Administration, interpretation and enforcement of the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declarations and Bylaws, and (f) Establishment, and enforcement of such reasonable rules and regulations as may be necessary for the operation of the Association and the use occupancy of Lots with right to amend same from time to time, and

WHEREAS, Article VI Section 4 of the Bylaws of the Association grants the Executive Board the power to ...after Notice of Hearing, levy reasonable fines for violations of this Declarations, and the Bylaws, Rules and regulations of the Association; and

WHEREAS, for the benefit and protection of all of the members of the Association, the Executive Board deems it desirable to formally adopt a resolution to enact the statutory power to assess monetary charges and to establish a procedure for enforcement of the regulations of the association which are consistent with principles of due process and Alaska law.

NOW, THEREFORE, BE IT RESOLVED THAT: On behalf of the Association, the Executive Board, or managing agent has the authority to issue a violation to any owner whose behavior or use of property does not conform to the Association's regulations, and the following guideline will be used for due process:

**ENFORCEMENT PROCEDURES**

- 1) A first offense of any violation of "Restrictions on Use, Alienation and Occupancy may result in a letter of warning with a request that the violation be corrected with in a reasonable amount of time.
- 2) If the violation is not corrected within a reasonable amount of time, or if the violation is repeated or continuous, the unit owner may be assessed a minimum fine of \$50.00, with the exception being fines established by the Modification Committee for initial construction and subsequent modifications, or garbage and refuse disposal policy as defined by Resolution # 2
- 3) For each documented subsequent violation of the same rule by the same lot, the fine may escalate for each violation occurrence.
- 4) Severe or recurring violations may at the discretion of the Board of Directors, result in larger fines in amounts deemed "reasonable" under Alaska law.
- 5) Any associated repair costs will be at homeowner's expense.
- 6) In addition to fines that may be levied, the Executive Board may institute legal proceedings or correct violations (i.e. repairs, restoration, vehicle towing, etc.), charging all associated cost the offending homeowner as additional fines, which may be collected as assessments. If the association must retain legal counsel to enforce House Rules, Declaration or Bylaw provisions, legal costs may be assessed against the owner as additional fines.

**SAHALEE HOMEOWNERS ASSOCIATION  
ADMINISTRATIVE RESOLUTION # 3**

**Due Process**

- 7) Notice of fines shall be delivered to the unit owner by first class mail sent to the owner's address listed in the association records. Hand delivery to the unit shall be an acceptable alternate form of notice.
- 8) Fines shall be tentatively assessed as additional homeowner dues immediately following the infraction and shall become final unless appealed to the Executive Board within 30 days thereafter.
- 9) Homeowners may address the Executive Board at the next regularly scheduled meeting to appeal any fine, provided the homeowner files a written notice of appeal with the Executive Board or the association manager within thirty days after the fine is levied. Fines shall be levied to ensure compliance with association rule and regulations, rather than to raise revenue. Any written correspondence should be sent to Sahalee Home Owners Association, Executive Board, @ 405 W. 27<sup>th</sup> Ave. Anchorage, AK 99503. Or via email to the Board at: [www.sahalee.org](http://www.sahalee.org)
- 10) This Resolution replaces all other previous due process rules and specifically the "Enforcement of Violations" procedures adopted by the Executive Board on February 20, 2002

The Executive Board reserves the power to hold owners legally responsible for ensuring that their tenants, guests, or invitees comply with the Association's regulations.


The procedures outlined in this resolution may be applied to all violations of the Association's regulations, but do not preclude the Association from exercising other enforcement procedures and remedies authorized by the Association's legal documents, including, but not limited to, the initiation of suit or self-help remedies. The Executive Board reserves the power to assign all of its powers and responsibilities herein to a standing or special committee of its choice.

Accepted for Review: November 12, 2008.

Distributed to owners for comment and review on 12/26/2008

Adopted by the Executive Board: 02/18/2009.

Effective Date: 02/18/2008.

  
Secretary

2/18/09  
Date