

**Palmer Lake Beach Club**  
**By-Laws And Covenants Effective March 23<sup>rd</sup>, 2019**

The following shall be the By-Laws of Palmer Lake Beach Club, a Washington Non-Profit Corporation, applicable to the following described real property:

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**Article I Membership**

SECTION 1: There shall be one membership in this corporation for each lot in the several subdivisions of Palmer Lake and any other property, which may be conveyed to this corporation. Each membership shall be Appurtenant to and not severable from the title to one such lot. No such membership may be assigned or transferred voluntary or by operation of law except in conjunction with the transfer of title to a lot appearing of Record in Pierce County, Washington, except in the case of sale of a lot by contract. A recorded contract Vendee deed shall be entitled to membership until the vendor's notice to the corporation of the contract or the forfeiture thereof shall be due notice of the corporation of the party entitled to such membership.

SECTION 2: Each membership shall entitle the person owning or residing on the lot to which the membership is appurtenant and their families to all the privileges and rights of membership unless suspended as hereafter provided. If a corporation or partnership shall be the owner of the lot or lots, then it shall have the rights to name the person, not in excess of three (3) for each lot it owns, who shall be entitled to the rights and privileges of membership.

SECTION 3: The rights and privileges of membership may be suspended by action of the Board of Directors for (a) nonpayment of any dues or charges; or (b) failure or refusal to comply with the provisions of these bylaws, the Declaration of Restrictions, Covenants and Conditions on file with County Auditor, or any published or posted rules and regulations of the Club. Suspension for nonpayment of dues or charges shall be automatic and without prior hearing where delinquent for thirty (30) days or more and shall be effective until such dues or charges are paid. Such suspension shall not relieve or discharge the obligation to pay such dues or charges, and a suspended member is not in good standing.

SECTION 4: Each membership shall have one vote on all matters before the meeting of the membership. Such vote shall be exercised by the owners or a person designated at the commencement of the meeting by the owners in writing. Corporate owners shall exercise their votes by their officer's present or persons designated by the corporate president. If any persons or corporations shall be entitled to more than one membership because of ownership of more than one lot, they shall have one vote for each membership. Votes can be cast in person or by written proxy or absentee ballot, filed with the corporate secretary.

## **Article II Membership Meetings**

SECTION 1: There shall be two (2) general membership meetings each year; March and October. Special meetings of the membership may be called at such times as may be necessary by (a) the Board President, (b) the majority of the Board of Directors, or (c) ten (10) percent of the membership. In the event of a special meeting of the membership called by ten (10) percent of the membership, such members shall create a roster that lists the property address, owner's name and has the signature of such owner, and the roster shall be sent by registered mail to the Corporation's address, so that the Board can give notice of the special meeting.

SECTION 2: Written notice of each meeting of the membership shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least thirty (30) days but not more than forty five (45) days before such meeting to each member entitled to vote thereat, addressed to the members address last appearing on the books of the corporation, or supplied by the member to the corporation of the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in such case a special meeting, the purpose of the meeting. The Board of Directors shall mail meeting notices for meetings as authorized in Article II, Section 1(a), (b) & (c) within thirty (30) days after the receipt of written request. Members shall have the right to provide their email address to the Corporation, and authorize email notices, communications and invoices to that address in lieu of written notices, communications and emails.

SECTION 3: Those members in good standing, present at a general membership meeting shall constitute a quorum. However, should there be no members present other than the Board of Directors, the Board alone shall not constitute a quorum.

SECTION 4: At all meeting of members, each member in good standing may vote in person or by proxy or by absentee ballot. All proxies shall be in writing and filed with the corporate secretary, and member's wishes clearly stated regarding issues declared for said meeting.

SECTION 5: All meetings of the Palmer Lake Beach Club shall be conducted under Robert's Rules of Order, consistent with but subordinate to the Declaration of Restrictions, Covenants and Conditions of the plat of Palmer Lake, and these Bylaws.

## **Article III Dues and Charges**

SECTION 1: By the Declaration of Restrictions, Covenants and Conditions of the plat of Palmer Lake and these Bylaws each member is deemed to covenant and agree to pay the Corporation; (a) annual dues and charges, and (b) special assessments, together with such interest thereon and the costs of the collection thereof, as herein provided, which shall be a charge on land and which shall be a continuing lien upon the property against which each such assessment is made. Each assessment, together with such interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the owner of such property at the time the assessment fell due and shall pass to his or her successors in title.

SECTION 2: The dues levied by the Corporation shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the members, in the properties and for the improvement and maintenance of the properties, services, and facilities devoted to the purpose and related to the use and enjoyment of the common area.

**SECTION 3:** The annual dues to be paid by the membership shall be one hundred (\$100.00) per lot, as of July 1<sup>st</sup>, 2007, and one hundred twenty-five dollars (125.00) as of July 1<sup>st</sup>, 2009, and one hundred and fifty dollars (\$150.00) as of July 1<sup>st</sup>, 2010. All dues shall be payable in advance, commencing on July 1<sup>st</sup> of each year.

**SECTION 4:** In addition to annual dues authorized above, the Corporation may levy any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of construction, or reconstruction, unexpected repair or replacement of a described improvement upon the common area, provided that any such assessment shall be the assent of two-thirds (2/3) of the votes of the members in good standing who are voting in person or by proxy or absentee ballot at a meeting duly called for this purpose.

**SECTION 5:** Any dues, fees, charges, penalties, interest or assessments which are not paid within thirty (30) days of the due date shall be delinquent and shall bear interest from the due date of delinquency at a rate of ten (10%) per annum (calculated at .833% per month for periods less than one year), and the Corporation may bring an action at law against the owner personally obligated to pay the same or foreclose a lien against the property, and the interest, cost and reasonable attorney's fee or any such action shall be added to the amount of such dues or assessment provided herein. Any dues or assessments not paid within thirty (30) days of the due date shall be assessed a one-time late charge equal to the yearly dues owed, in addition to interest which may be collected by the corporation in the same manner as delinquent dues, interest and cost. No owner may waive or otherwise escape liability for dues or assessments provided for herein by non-use of the common areas or abandonment of their lot.

**SECTION 6:** The lien of the assessments herein provided for shall be covenants running with the land and shall be binding upon the real property and any and all parts thereof; the parties in interest thereto and their heirs, assigns, personal representatives and successors in interest. Accepting an interest in and to any portion of the real property shall constitute an agreement by any person, firm or corporation accepting such interest, that they and each of them shall be bound by and subject to the provisions hereof. There shall be a service charge of one hundred dollars (\$100.00) paid for transfer of membership by the new owner.

## **Article IV Powers and Duties of the Board of Directors**

**SECTION 1:** The board of directors shall have the power to:

- (A) Adopt and publish rules and regulations governing the use of the common area and facilities, and the personal conduct of the members and their guests thereon and establish penalties for the infraction thereof. Adoption of rules and regulations and establishment and penalties are subject to modification or change by seventy-five percent (75%) vote of the membership present at an authorized membership meeting.
- (B) Exercise for the Corporation all powers, duties and authority vested in or delegated to this Corporation and not reserved to the membership by other provisions of these Bylaws, the Article of Incorporation, or the Declarations.
- (C) Declare the position of a member of the Board of Directors to be vacant in the event such member shall be absent without permission from three (3) consecutive regular meeting of the Board of Directors.
- (D) Enter into contracts as approved by the membership.
- (E) Expend up to Four Thousand Dollars (\$4,000) to provide emergency repairs or expenses on a case-by-case basis without the general membership approval. Such expenditure shall be reported at the next General Membership meeting. Such expenditures shall not exceed Twelve Thousand Dollars \$12,000 in any one (1) fiscal year without approval of the members at a membership meeting.
- (F) Expend funds as detailed in the approved annual budget.

**SECTION 2:** It shall be the duty of the Board of Directors to:

- (A) Cause to be kept a complete record of all its acts and corporate affairs and to present a written statement thereof to each member at each general membership meeting.
- (B) Supervise all officers and contractors of this Corporation, and see that duties are properly performed.
- (C) As more fully provided herein and in this Declaration. (1) Fix the amount of the annual dues against each lot at least sixty (60) days in advance of each annual dues period, as hereinafter provided in Article III, and (2) Send written notice of dues to every owner subject thereto at least thirty (30) day in advance of each annual dues periods.

- (D) Issue, or cause an appropriate office to issue, upon demand by any person, a certificate setting forth whether or not any assessment or dues has been paid. A reasonable charge may be made by the Board of issuance of the certificates. If a certificate states the dues and/or assessment have been paid, such certificate shall be conclusive evidence of such payment.
- (E) Procure and maintain adequate liability and hazard insurance on the property owned by the Corporation.
- (F) Cause all officers having fiscal responsibilities to be bonded.
- (G) Cause all outside contractors/vendors to show bonding, certificate of insurance and financial responsibility. Any contractor acting in the name of Palmer Lake Beach Club shall have their bonding paid by the club.
- (H) Cause the common area to be maintained.
- (I) Set up surplus funds and reserve funds as they deem necessary to the end that the corporation shall be in a sound financial condition to meet its obligations and maintain its property.

## **Article V Directors**

SECTION 1: The management of the property, interest, business and affairs of the Corporation shall be vested, except as reserved to the membership by other provisions of these bylaws, the Articles of Incorporation, or the Declaration of Restrictions, Covenants and Conditions, in the hands of a Board of Directors of no less than five (5) persons elected from persons entitled to the rights and privileges of membership.

SECTION 2: The term of office of each position on the board of directors shall be two (2) years. Commencing with the March 1980 elections for the Board of Directors, the vacant three (3) year term positions will be initially elected to a one (1) year term. Thereafter all vacant positions will be filled on a two (2) year basis with the exception of board appointed members as covered in Article V Section 5.

SECTION 3: Any director elected or appointed may be removed from the Board of Directors by a two-thirds (2/3) majority vote of the members who are voting in person or by proxy or absentee ballot at a special meeting duly called for this purpose as detailed in Article II, Section 1, written notice of which shall be sent to all members not less than thirty (30) days nor more than forty-five (45) days in advance of the meeting setting forth the purpose of the meeting. The presence at the meeting or of proxies or absentee ballots entitled to cast ten percent (10%) of all the votes of the members eligible to vote shall constitute a quorum. Directors may be removed whenever, in the judgment of the membership the best interests of the corporation will be served thereby. The removal of an officer or director shall be without prejudice to the contract rights, if any, of the officer or director so removed. Election or appointment of an officer or director or agent shall not itself create contract rights.

SECTION 4: No director shall receive compensation of any service he or she may render to the Corporation. However, any director may be reimbursed for actual expenses incurred in the performance of their duty.

SECTION 5: Three (3) alternates shall be elected by the membership for a term of one (1) year. Alternates shall fill vacancies for the remaining term of office of the director that is being replaced. In the event that there are no remaining alternates, the Board of Directors shall appoint a member to that vacancy until the end of the fiscal year, when the unexpired term, if any, will be filled by the election process.

SECTION 6: There shall be a meeting of the Board of Directors within two weeks after each general meeting of the Membership. Special meeting of the Board of Directors may be called by the president or any directors by giving oral or written notice to all directors. A minimum of three (3) directors shall constitute a quorum for transaction of business.

SECTION 7: The officers of this corporation shall be president, 1st vice president, 2<sup>nd</sup> vice president, secretary, and treasurer, who at all times shall be members of the Board of Directors.

SECTION 8: The Officers of the Corporation shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless he/she shall sooner resign from the board or be removed or otherwise become disqualified to serve.

SECTION 9: Election of the board of directors by the general membership shall take place annually prior to the start of the fiscal year.

SECTION 10: Any director may resign at any time by giving written notice to the board, the president or secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance shall not make it necessary to make it effective.

SECTION 11: No director shall simultaneously hold more than one office.

SECTION 12: The duties of the officers are as follows:

(A) The president shall preside at all meetings of the board of directors: shall see that orders and resolutions of the board and membership are carried out: shall sign at leases, mortgages, deeds and other written instruments and may co-sign all checks and may sign promissory notes.

(B) The 1st vice president shall act in the place instead of the president in the event his/her absence, inability or refusal to act, may co-sign all checks and promissory notes, and shall discharge such other duties as may be required by the board.

(C) The 2nd vice president shall act in place instead of the 1st vice president and shall discharge such other duties as may be required by the board.

(D) The secretary shall record the votes and keep the minutes of all membership meetings and proceedings of the board and the members: serve notice of the meetings of the board and of the members: keep appropriate membership rosters together with their addresses and shall perform such other duties as required by the board. A recording secretary may be appointed by the board of directors to take minutes at the general membership meeting, special meetings, board of director meetings and committee meetings and to assist in any duties so required by the secretary. A recording secretary appointment involving monetary gain must be approved by the general membership.

(E) The treasurer shall oversee the bookkeeper to receive and deposit in appropriate bank account all monies of the corporation and shall disburse such fund as directed by resolution of the board of directors; shall co-sign, with either the president or the 1st vice president, all checks and promissory notes of the corporation; be responsible for proper books of account; cause an annual audit of the corporation books to be made by the audit committee a copy of the annual budget to be presented to each member present at the March general membership for adoption; and also prepare a written statement of income and expenditures to be presented to each member present at the membership meetings. The fiscal duties of the treasurer may be contracted, with or without monetary gain, with the approval of the membership if the board treasurer is not qualified or unable to handle the corporation fiscal responsibilities. In the event the contracted treasurer resigns, is absent or unable to fulfill the duties, the board of directors, by majority vote, may contract a treasurer to fill the vacated position until the next general membership meeting. The existing contract terms will be followed in contracting a treasurer to fill the vacated position.

(F) Handwritten checks drawn on the Corporations accounts shall require the signature of two (2) officers. Payments made using automatic or online banking systems from the Corporation's accounts shall not require signatures. Such automatic or online banking payments shall only be for routine and ordinary expenses reflected in the annual budget approved by the membership, and such transactions shall be individually authorized by an officer of the Corporation.

SECTION 13: The directors may appoint such committees from the membership as they deem necessary for the management and direction of the corporation. No committee member may be dismissed without a majority vote of the board.

## **Article VI Standing Committees**

SECTION 1: An audit committee shall supervise the annual audit of the corporation's books and annual statement of income and expenditures to be presented to the membership at its regular meetings, as provided in Article 5, Section 12(e). The audit committee shall consist of three (3) members to be appointed by the board of directors, and the Treasurer unless the Treasurer is a contractor, in which case a board member shall substitute for the Treasurer.

SECTION 2: A budget committee shall prepare the corporation's annual budget to be presented to the membership at its regular meeting as provided in article 5, Section12(e). The budget committee shall consist of three (3) members to be appointed by the board of directors and the Treasurer unless the Treasurer is a contractor, in which case a board member shall substitute for the Treasurer.

SECTION 3: It shall be the duty of each committee to receive complaints from members on any matter involving corporation functions, duties, and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committees, directors, or officer of the corporation as is further concerned with the matter presented.

SECTION 4: Should the Board of Directors, in its discretion, from time to time, determine that the need has arisen for a determination of the applicability of provision of Article II of the "Restrictions and Covenants" of Palmer Lake Beach Club to a particular circumstance, the Board is hereby granted the authority to make a binding decision with respect to such circumstances.

## **Article VII Nominations and Elections**

SECTION 1: Nominations shall be made in writing in advance of the March general membership meeting by members, who may nominate themselves or others. Such nominations shall be sent by mail to the Corporation, and must be received at least fifteen (15) days prior to the March general membership meeting. Nominations will be also received from the floor at the March general membership meeting, and such nominees shall become the slate of nominees, subject to the provisions herein.

SECTION 2: Nominees must be members in good standing.

SECTION 3: At the March general membership meeting, the slate of nominees shall be presented, and each nominee shall have the option to speak to explain their qualifications. The board may limit the speaking time of the nominees at its discretion to allow the meeting to progress in a timely fashion.

SECTION 4: After the nominees have had the opportunity to speak, the President shall call for a vote from the members in good standing for each nominee. In the event where the vote count may not be clear, the President will require the vote to be by member name, which shall be recorded in the meeting minutes. The nominees with the most votes shall be declared the winner(s). In the event of a tie for any position, an immediate re-vote will be made. If a tie remains, the names of the candidates trying for the position will be placed in a box and one name will be drawn for the position specified, under observation of the members present. The remaining name will receive the next available position which would be awarded according to the number of votes cast.

SECTION 5: In the event of an exact number of nominees for the positions on the ballot, automatic acceptance will be just cause for the waiver of this section.

## **Article VIII Property Rights / Rights of Enjoyment**

Each member shall be entitled to use and have enjoyment of the common areas and facilities as provided in the declaration. Any member may delegate his rights of enjoyment of the common area and facilities to the members of his/her family, friends, his tenants or contract purchasers on the property. The rights and privileges of such delegate are subject to suspension to the same extent as those of the member.

## **Article IX Books and Records**

The books, records and paper of the Corporation shall at all times, during reasonable business hours, be subject to inspection by any member. The declaration, the articles of incorporation and the bylaws of the corporation shall be available for inspection by the member of the principle office of the corporation, where copies may be purchased at a reasonable cost. In lieu of physical inspection, the Corporation may make such documents available electronically.

## **Article X Amendments**

SECTION 1: These bylaws may be amended by the affirmative vote of not less than seventy-five percent (75%) of the membership in attendance at any general membership meeting or special meeting of the membership; provided, however, notice of such proposed amendment and nature thereof must be given in writing to all members at least fifteen (15) days prior to any general membership or special meeting at which such proposed amendments are to be considered. Further amendment or modification of proposed amendments can be considered at any meeting for which proper written notice has been given, but no further or different amendments, on other subjects, can be adopted without separate notice thereof.

SECTION 2: In case of any conflict between the articles of incorporation and these bylaws, the articles shall control and in the case of any conflict between the declaration and these bylaws, the declaration shall control.

## **Article XI Dissolution**

The Palmer Lake Beach Club may be dissolved with assent given in writing and signed by not less than two-thirds (2/3) of the entire membership; and in accordance with Title 24 of RCW. Upon dissolution of the Palmer Lake Beach Club, the assets, both real and personal property of the Palmer Lake Beach Club, shall be dedicated to an appropriate public agency to be devoted to purposes as nearly practicable the same as those to which they were required to be devoted by the club. In the event such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation association, trust or other organization to be devoted to purposes and uses that would be most nearly reflect the purposes and uses to which they were required to be devoted by Palmer Lake Beach Club.

## **Article XII Miscellaneous**

The fiscal year of the corporation shall begin on the first (1<sup>st</sup>) day of July and end on the thirtieth (30) day of June of every year. The terms of the Board of Directors shall run for the same period.

## **Article XIII Mobile Homes**

SECTION 1: The existing mobile and manufactured homes on Palmer Lake Beach Club lots as of March 11, 2000 will be grandfathered and allowed to remain in place, unless prohibited by law or regulation, or become uninhabitable. The replacement of existing manufactured/mobile homes on Palmer Lake Beach Club lots will comply with the following bylaw. The placement of all future manufactured, mobile or prefab homes on Palmer Lake Beach Club lots will be of new construction. They shall be doublewide units, a minimum of twenty-four (24) feet wide, variable length. Outside construction shall be of wood or wood composite, vinyl or aluminum lap siding, or fiber cement siding. Roof construction shall be of composition shingle or an acceptable alternate.

SECTION 2: The units shall be placed on a full masonry loadbearing foundation. The opening between ground level and the bottom on the unit shall be skirted with permanent masonry. The units shall be in compliance with all Washington State and Pierce County building codes. A Palmer Lake Beach Club site plan shall be applied for and approved in accordance with existing Covenants and Bylaws.

SECTION 3: The units must be approved and inspected by Palmer Lake Beach Club Board Members or their designated Representatives and then approved by a vote of the Palmer Lake Beach Club Board Members. Palmer Lake Beach Club will not approve any new single wide mobile or manufactured homes for placement on lots at the Palmer Lake Beach Club. There will be no used or pre-owned structures approved for placement on Palmer Lake Beach Club lots.

## **Article XIV Tree Cutting**

There shall be no cutting of any tree over six (6) inches in diameter, on any land located within Palmer Lake Beach Club, unless the trees are cut pursuant to one of the following reasons:

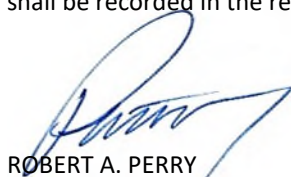
SECTION 1: For safety reasons, when a tree(s) directly threatens a building, structure, or public utility, due to disease, death, or danger of collapse, immediate removal of the tree(s) is permitted for safety purpose. However, proof of necessity to cut such tree(s) shall be shown to the Board of Directors upon request of the Board.

SECTION 2: Pursuant to Pierce County approved development, such as installation of a building or septic field, and only when such development is supported by a current, valid building or septic permit, issued by Pierce County. Such permit, or photocopy thereof, must be on site before any tree is cut pursuant to this subsection, and only those trees absolutely necessary for such purposes shall be cut.

SECTION 3: When the Board of Directors has been shown a necessity to cut a tree(s). by a written application of the land owner, and the Board has granted permission to cut a given tree(s) such written permission by the Board must be on site before any tree(s) is cut pursuant to this subsection, and only those tree(s) so approved may be cut.

SECTION 4: The penalty for violation of this section is twice the fair market value of such tree(s), to be paid into the Palmer Lake Beach Club account and used for Club purposes. Should the Board assess such a penalty, it shall be treated as any other outstanding amount as detailed in Article III of these Bylaws.

At the general membership meeting of March 23, 2019, the membership passed these Bylaws. They were voted on by 75% or more of the membership present at the meeting or by proxy. These Bylaws are an instrument of the Corporate Record of PLBC, shall be recorded in the records of Pierce County, and are confirmed by the following corporate officer.



ROBERT A. PERRY  
President, Palmer Lake Beach Club Inc.,  
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