

BYLAWS OF
SOUTH BAY COMMUNITY ASSOCIATION

ARTICLE I
NAME AND LOCATION

The name of the corporation is the South Bay Community Association, hereinafter referred to as the “Association”. The principal office of the corporation shall be located at 120 Spinnaker Place, Port Ludlow, Washington 98365, but meetings of members and directors may be held at such places within the State of Washington as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. “Association” shall mean and refer to South Bay Community Association, its successors and assigns.

Section 2. “Properties” shall mean and refer to all South Bay real property as may be brought within the jurisdiction of the Association.

Section 3 “Common Area” shall mean all real property (including improvements thereto) owned by the Association for the common use and enjoyment of the Members, guests and invitees.

Section 4. “Lot” shall mean and refer to all parcels designated on any government approved subdivision within South Bay as lots, together with any subsequent subdivision of said parcels.

Section 5. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, including contract purchasers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. “Declaration” shall mean the South Bay Master Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements, recorded under Jefferson County Auditor’s File No. 324010.

Section 7. “Member” shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III MEETING OF MEMBERS

Section 1. Annual Meetings

The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter providing that the Board of Directors shall have authority to change the date of the annual meeting by majority vote of Directors. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings.

Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of members whose votes account for ten percent of the votes of the membership.

Section 3. Notice of Meetings.

Written notice of each meeting of the members 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 not less than thirty (30) days or more than sixty (60) days in advance of the meeting to each member entitled to vote at the meeting, addressed to the member’s address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum.

The presence at the meeting of members entitled to cast, or of proxies entitled to cast, thirty four percent (34%) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the

meeting from time-to-time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be represented.

Section 5. Voting.

At all meetings of members, each member may vote in person or by proxy, or by mail or electronic transmission as provided in RCW 24.03.085. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

Section 6. Alternative Methods for Meetings, Notice, and Voting.

Notwithstanding any provisions of these bylaws suggesting otherwise,

(a) meetings of members may be conducted by telephonic, video or other conferencing process, in accordance with RCW 64.38.035(5);

(b) notice may be given by electronic transmission, in accordance with RCW 64.38.110; and

(c) voting by members may be done at a meeting in person, by proxy, or by absentee ballot, or may be done without a meeting by ballot, in accordance with RCW 64.38.120.

ARTICLE IV
BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number.

Unless otherwise provided in the Declaration, the affairs of this Association shall be managed by a Board of at least three (3) and no more than nine (9) members. The initial Board of Directors shall be composed of five (5) members.

Section 2. Term of office.

At each annual meeting of the voting members of the corporation, directors shall be elected to hold office for terms as defined herein. In the calendar year of 2001, the four (4) candidates receiving the most votes will be elected for two-year terms and the three(3) candidates receiving the next greatest number of votes will be elected for one-year term³. In 2002, the three (3) one-year director positions will be open for election for 2-year terms. Thereafter, director positions will be open for election after each two-year

term is complete. In the event that a director position becomes vacant, the Board may elect an interim director to carry out the remainder of the term.

Section 3. Removal and Vacancies.

Any Director may be removed from the Board, with or without cause, by a majority vote of each class of membership. Any Director may also resign. In the event of death, resignation or removal of a Director, his successor shall be selected by a majority vote of the remaining members of the Board of Directors and shall serve for the unexpired term of his predecessor. In the event there are no remaining Directors, or a replacement Director cannot be located, the shareholders shall be responsible for electing replacement Director(s) by a majority vote of each class of membership.

Section 4. Compensation.

No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Elections.

Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

ARTICLE V
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ARTICLE VI
MEETING OF DIRECTORS

Section 1. Regular Meetings.

Regular meetings of the Board of Directors shall be held at such place and hour as may be fixed from time-to-time by the Board of Directors.

Section 2. Special Meetings.

Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any three (3) Directors, after not less than three (3) days notice to each Director.

Section 3. Quorum.

A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers.

The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Areas, the Recreational Center, trail or pathway system and the personal conduct of the members and their guests, and to establish penalties for the infraction of said rules and regulations;

(b) suspend the voting rights of a member during any period in which such member shall be (1) in default in the payment of any assessment levied by the Association; (2) in violation of the terms and conditions set forth in the Declaration; or (3) in violation of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association by Washington State law, including RCW 24.03, and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; and

(d) employ a manager, an independent contractor, or such employees as they deem necessary, and to prescribe their duties.

Section 2. Duties.

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 to the full extent required by the Declaration or Washington law;

(b) supervise all Officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto; and

(3) at the discretion of the Board of Directors, to foreclose the lien against any property for which assessments are not paid in a timely manner or to bring an action at law against the owner personally obligated to pay the same.

(d) to initiate any legal action deemed necessary by the Board to enforce any of the provisions of these Bylaws, the Articles of Incorporation and/or the Declaration;

(e) issue, or to cause an appropriate Officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(f) cause all Officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) fulfill all requirements of the Association as set forth in the Declaration.

Section 3. Bay Club/Gazebo Property

Before taking any step to sell or lease, or to offer to sell or lease, or to use any portion of the Bay Club/Gazebo property (Jefferson County Parcel No. 821174005) for purposes other than recreational, social or nature preservation uses, the Board of Directors shall give at least 90 days notice thereof, by mail or email, to all SBCA members at their last known mail or email addresses. No portion of the property shall be sold or leased, or used for such other purpose, or logged for a commercial purpose, without prior approval by vote of at least two-thirds of all members. Neither short-term rentals of the Bay Club facilities or grounds, nor incidental logging for purposes of safety, enhancing views or promoting or preserving the health of treed portions of the property, shall be subject to the notice or membership approval requirements of this section.

ARTICLE VIII
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices.

The Officers of this Association shall be a president and vice president, secretary and treasurer, together with such other Officers as the Board may from time-to-time by resolution create.

Section 2. Election of Officers.

The election of Officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term.

The Officers of this Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year, unless they shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments.

The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time-to-time, determine.

Section 5. Resignation and Removal.

Any Officer may be removed from office with or without cause by the Board of Directors. Any Officer may resign at any time by giving written notice to the Board of Directors, the president or the 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 of such resignation shall not be necessary to make it effective.

Section 6. Vacancies.

A vacancy in any office may be filled by appointment of the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices.

The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special officers created pursuant to Section 4 of this Article.

Section 8. Duties.

The duties of the Officers are as follows:

President

The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments, unless otherwise provided by the Board of Directors.

Vice President

The vice president shall sit in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

Secretary

The secretary shall record the votes and either keep, or arrange to have kept, the minutes of all meetings and proceedings of the Board and of the members; arrange for service of the notice of meetings of the Board of Directors and of the members; keep, or cause to be kept, appropriate current records showing the members of the Association together with their addresses, and perform such other duties as required by the Board of Directors.

Treasurer

The treasurer shall oversee all Association funds and shall direct disbursement of said funds as directed by resolution of the Board of Directors; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX
COMMITTEES

The Board of Directors may appoint committees as deemed appropriate in carrying out its purpose.

ARTICLE X
BOOKS AND RECORDS

The books, records and papers of the Association shall be subject to inspection by any member to the full extent provided by the Declaration. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI
ASSESSMENTS

The Association shall have the full power to exercise all of the rights and obligations with regard to annual and special assessments as set forth in the Declaration. As more fully provided in Article VII and Article VIII of the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If any assessment is not paid in a timely manner, the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas, Recreation Center, trail or pathway system, or by transfer or abandonment of his Lot.

ARTICLE XII
AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a majority of the members of each class of membership present in person or by proxy, providing there is a quorum; provided, however, that Article VII, Section 3 of these Bylaws may not be amended without approval by at least two-thirds of all members.

As amended as of November 10, 2021

Section 2. In the 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.

The foregoing are the bylaws of the Association, as most recently amended November 10, 2021.

IN WITNESS WHEREOF, I have hereto subscribed my name this _____ day of November, 2021.

Janet DeDonato, SBCA Secretary