



DECISION PAPER

Proposed Changes to the Covenants Fine Schedule

August 15, 2019

Issue:

Proposed changes to the Covenants Fine Schedule went out for 45-day member notification and comment period prior to board consideration and approval. The board will be considering approval of proposed changes to the fine schedule as proposed or with modifications.

Background:

Pursuant to Tahoe Donner Covenants and Restrictions the board may consider adoption of new and amended rules and fines following requisite member notification and comment period.

Article II, Section 3

(a)...The Association and its Board of Directors shall have the power to do any and all lawful things which may be authorized, required or permitted to be done under and by virtue of the Governing Documents, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Association for the peace, health, comfort, safety or general welfare of the Owners. The specific powers of the Association and the limitations thereon shall be as set forth in Article IX of the Bylaws.

Article III, Section 7

(b) Adoption and Amendment of Rules. Association Rules may be adopted or amended from time to time by majority vote of the Board in accordance with this subparagraph (b). Except in the case of: (i) rules or regulations adopted to respond to an emergency which threatens the health or safety of the residents or immediate damage to or destruction of any Common Area...no Association Rule shall be adopted until the proposed rule or amendment thereof has been published to the Members at least 45 days prior to the date when the Board is scheduled to act on the proposal. During the 45-day comment period at least one Board or community meeting shall be held at which the proposed rule is an agenda item.

Article XIII, Section 6

(b) Schedule of Fines. The Environmental Control Committee shall implement a schedule of reasonable fines and penalties for offenses related to ECC matters. This schedule will be approved by the Board as part of the ECC Rules and Regulations as described in Article V, section 5 hereof. The Board shall implement a schedule of other





finances and penalties for particular offenses that are common or recurring in nature and for which a uniform fine schedule is appropriate (such as penalties for late payment of Assessments)...

Following discussion, review and modifications to drafted proposed changes to the Covenants Fine Schedule at the December 2018 board of directors meeting, the Board of Directors approved the publication of the proposed changes to the Covenants Fine Schedule for 45-day member notification.

The Proposed Changes to the Covenants Fines Schedule 45-day Notice was published in the January Tahoe Donner News and is attached for reference. The notice was posted on the 45-day notice webpage on www.tahoedonner.com as well. A separate memo is included which includes submitted member comments received between January 1 and August 14, 2019.

The Board of Directors heard member comment relating to the 45-day notice at the January 26, 2019 board of directors meeting agenda item 15: Proposed 2019 Covenants Fine Schedule.

The proposed changes to the Covenants Fine Schedule are as follows:

PRIVATE PROPERTY RULES FINES			
	Current Fines	Proposed Fines	Comments
1st Violation	\$200	\$400	Increase of \$200
2nd Violation	\$400	\$800	Increase of \$400
3rd Violation	\$800	\$1,600	Increase of \$800
2nd Garbage Spill Violation	\$400	\$800	Increase of \$400
Tree and/or Vegetation Removal Violation*	\$100-\$5,000 per tree involved plus replacement	\$200-\$5,000	Increase of \$100 for minimum fine
Noxious Activity Violation*	\$200	\$400-\$1,000	Increase of \$200 for minimum fine and set for range with maximum
Business Activities Violation*	\$200	\$400-\$2,000	Increase of \$200 for minimum fine and set for range with maximum
Fire Safety Violation	\$1,000-\$5,000	\$1,000-\$5,000	No change





GENERAL COMMON AREA AND AMENITY RULES FINES*			
	Current Fine Schedule	Proposed Fine Schedule	Comments
Camping on Common Areas	\$100	\$200	Increase of \$100
Off-Road Vehicles	\$150	\$300	Increase of \$150
After Hours Use	\$100	\$200	Increase of \$100
After Hours Parking	\$50	\$100	Increase of \$50
Hunting + Trapping	\$150	\$300	Increase of \$150
Animal Control	\$100	\$200	Increase of \$100
Equestrian Use	\$100	\$200	Increase of \$100
Smoking	\$50	\$100	Increase of \$50
Tree and/or Vegetation Removal Violation*	\$100-\$5,000 per tree involved plus replacement	\$200-\$5,000	Increase of \$100 for minimum fine
Fire Safety Violation	\$1,000-\$5,000	\$1,000-\$5,000	No change

*Fines double per subsequent violation all occurring within a one-year period from the first hearing.

The 45-day member comment period has concluded and the Covenants Committee is asking the Board of Directors to consider adopting the proposed changes to the Covenants Fine Schedule as published and/or with modification.

Options:

1. Approve without modifications
Approve proposed changes to the Covenants Fine Schedule as published in the 45-day member notification. Effective date of approved changes, August 24, 2019.
2. Approve with modifications
Approve proposed changes to the Covenants Fine Schedule with minor modifications. Effective date of approved fine schedule, October 1, 2019 to allow for general delivery notification to members of adopted rules with modifications.





3. Do not approve proposed changes and go out for new 45-day notice as a result of major modifications.
4. Do not approve proposed changes to the Covenants Fine Schedule.

Recommendations:

The Covenants Committee requests the Board of Directors consider approving,

Option 1: Approve without modifications.

Approve proposed changes to the Covenants Fine Schedule as published in the 45-day member notification. Effective date of approved changes, August 24, 2019.

Prepared By: Annie Rosenfeld on behalf of Covenants Committee

General Manager Approval to put on Agenda: _____ Date: _____

