

Clearwater Beach Property Owners Association, Inc.

By-Laws

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Eleventh Revision July 31, 2021 (Art. VII Sec. 4)

Twelfth Revision July 30, 2022 (Art. V, Sec. 1, and Article XI, Sec. 6)

ARTICLE I: NAME AND OBJECT OF CORPORATION

SECTION 1. This corporation shall be known as the CLEARWATER BEACH PROPERTY OWNERS ASSOCIATION, INC. The association may be alternately referred to as CBPOA, INC.

SECTION 2. The objects of the association shall be:

- (a) to acquire, own, lease, develop and dispose of real property and other facilities for the recreational and aesthetic purposes of member property owners;
- (b) to promote the common interests of the property owners;
- (c) to improve and maintain common facilities to enhance the use and enjoyment of Clearwater Beach;
- (d) to administer approval of plans and specifications pursuant to covenants and restrictions which now or may hereafter exist;
- (e) to administer foot paths, beach reservation areas and other common properties.

ARTICLE II: MEMBERSHIP

**SECTION 1. The membership shall consist of all owners of lots in Clearwater Beach. Such owners shall remain members in good standing upon payment of maintenance fees as provided in ARTICLE XI. Each and every lot shall be subject to the payment of a separate maintenance fee, except that two or more contiguous lots with the same ownership on all lots, or with any spousal combination ownership, or with one owner's name on each lot with any other owners shall be considered as one lot and only one maintenance fee shall be due.

**SECTION 2. For each maintenance fee paid, the ownership shall be entitled to one vote to be cast by a voting member for each question or motion at the Association Annual Meeting or any Special Association Meeting.

**SECTION 3. A voting member must be one of the owner(s) of property in good standing or a person of legal age designated by such property owner(s) in writing to the Board of Directors.

ARTICLE III: GOVERNMENT

SECTION 1. The general management of the affairs of the Association shall be vested in the Board of Directors, who shall be elected as provided in the by-laws. The Board shall consist of not more than twelve (12) Directors, nor less than six (6) Directors.

SECTION 2. The officers of the Association shall consist of a President, one or more Vice-Presidents and a Treasurer, all of whom shall be elected as provided in the by-laws.

**SECTION 3. The President shall appoint all committee chairmen who will be charged with maintaining and operating the reservation and all CBPOA properties. The President shall be a member, ex officio of all committees, except the nominating committee.

ARTICLE IV: MEETINGS

SECTION 1. "The annual meeting of the members of the Association shall be held every year on the last Saturday of July. Notice of the time and place of holding the annual meeting shall be mailed to each member at his/her address of record, *or transmitted via any other method permitted by then applicable law*, at least ten days previous thereto."

SECTION 2. Special meetings of members may be called by the President at any time on his own initiative or by the President or Executive Secretary upon request of at least 25% of the members to such officer made in writing. Notice of the meeting shall be mailed to each member at least ten days previous to the meeting and at such special meetings there shall only be considered such business as is specified in the notice of meeting.

**SECTION 3. At all meetings of the Association, either regular or special, one-tenth of all members in good standing shall constitute a quorum. Members may be represented in person or by proxy and when a quorum is established, a majority of those members present or holding proxy shall decide on all questions before the meeting.

SECTION 4. If a quorum is not present, the presiding officer may adjourn the meeting to a day and hour fixed by him or her.

****SECTION 5.** At all meetings of the Association, the order of business shall be as follows:

1. Reading of minutes of immediate prior meeting for information and approval.
2. Reports of officers.
3. Reports of committees.
4. Election of directors.
5. Unfinished business.
6. New business.

****SECTION 6.** The Board will hold a minimum of six meetings each year, preferably in the months of April, May, June, September and November and in July, directly after the Annual Meeting.

SECTION 7. Meetings of the Board of Directors shall be called by the President on his own initiative whenever in his judgment it may be deemed necessary, or by the Executive Secretary upon request of any four members of the Board of Directors. For special meetings, as much notice as possible is to be given

SECTION 8. A majority of the Board of Directors shall constitute a quorum.

****SECTION 9.** “Meetings of the Board of Directors must be held in the Town of East Hampton, County of Suffolk, New York. *Provided that at least four (4) directors attend in person, other directors may attend remotely via video or audio technology or via such other method permitted by then applicable law.*”

SECTION 10. *“For matters arising between meetings that require expedient decision, the Board of Directors may discuss and vote upon same remotely via email or other agreed technology, provided that such matter and discussion and vote is announced and ratified at the next Meeting of the Board of Directors.”*

ARTICLE V: ELECTION OF BOARD OF DIRECTORS

****SECTION 1.** The Directors of the Association shall be elected at the annual meeting.

Each owner in good standing or their designated representative shall be entitled to one vote for each Director to be elected and the candidate receiving a plurality of the votes cast shall be declared elected. *The members may attend and vote in person or by proxy and by secure internet attendance and/or voting or proxy via computer, phone or tablet or similar method as authorized by the Board of Directors.*

****SECTION 2.** To be eligible for election to the Board, a candidate must be a property owner as recorded on the deed of property and in good standing with maintenance fees paid. If the candidate is not a property owner and is of legal age, he/she may be given a written note of designation by a property owner in good standing as his/her representative, replacing the owner’s eligibility to be a candidate. All candidates must submit to the Board, in writing, his/her intention to run for election by May 15th of the year running.

SECTION 3. Six Directors shall be elected each year for a term of two years. In order to retain the knowledge and experience of those Directors whose term of office expires, there shall be an Advisory Council consisting of all such former Directors. Members of the Council may attend all meetings of the Board of Directors in an advisory capacity, but shall not be entitled to vote.

SECTION 4. The Board of Directors shall elect one of their number as President; one or more of their number Vice-President; one of their number Treasurer. The meeting of the Board to elect officers shall take place at the scheduled September Board Meeting; and officers elected shall hold office until new officers are elected. Officers shall serve a term of one year, but may be re-elected.

SECTION 5. The Board of Directors may employ an Executive Secretary and/or Assistant Treasurer as required.

SECTION 6. The term limits of elected officers, for President, Vice-President(s) shall be for no more than three consecutive one year terms.

ARTICLE VI: VACANCIES IN OFFICE

SECTION 1. If a vacancy occurs among the officers or in the Board of Directors, the vacancy may be filled for the unexpired term by appointment by the Board of Directors.

ARTICLE VII: DUTIES OF OFFICERS AND EXECUTIVE SECRETARY

SECTION 1. The President shall preside at all meetings of the Association and of the Board of Directors and shall appoint members to such committees as the President or the Board shall consider expedient or necessary.

**SECTION 2. In the absence of the President, the ranking Vice-President shall perform the President's duties and in the absence of both President and Vice-Presidents, the Treasurer shall preside and assume the duties of the President.

**SECTION 3. The Executive Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors, mail all notices for meetings of the Association, notify all Board members and Advisors of Board Meetings, and perform such other duties as may be required by the by-laws, the President, Vice-President(s) or the Board of Directors.

SECTION 4. The Treasurer shall have charge of all receipts and monies of the Association, deposit them in the name of the Association and disburse funds as ordered by or authorized by the Board of Directors. The Treasurer shall keep an accurate account and collect all fees, dues and charges due from member property owners. The Treasurer shall also keep regular accounts of all receipts and disbursements, submit a monthly financial report to the Board and give a statement at the annual meeting. All checks and *Electronic Funds Transfers*** on behalf of the Corporation upon any and all of its bank accounts in excess of ***\$5,000.00*** shall require the signatures of any two of the following: the President, the Treasurer or Assistant Treasurer. The Assistant Treasurer may assist the Treasurer to make bank deposits, to disburse the Treasurer's endorsed checks and to perform financial duties as directed by the Treasurer.

SECTION 5. The President or Treasurer shall, upon being so directed by the Board, sign all leases, contracts or other instruments in writing.

**SECTION 6. The President or Treasurer shall, upon being so directed by the Board, bring an action at law in the name of the Association as provided in ARTICLE XI. SECTION 5.

ARTICLE VIII: DUTIES AND POWERS OF THE BOARD OF DIRECTORS

SECTION 1. The Board of Directors shall have general charge and management of the affairs, funds and property of the Association. They shall have full power and it shall be their duty to carry out the purposes of the Association according to its Certificate of Incorporation and By-Laws; to determine whether the conduct of any member is detrimental to the welfare of the Association and to fix the penalty for such misconduct or any violation to the by-laws or rules.

SECTION 2. The Board of Directors may adopt rules and regulations governing use of the Association property and defining boating and swimming privileges of the members and their guests, not inconsistent, however, with anything herein set forth.

SECTION 3. The Board of Directors may designate committees as they may deem necessary; may vote the expenditure of money as they may deem necessary or advisable; and may contract for lease or purchase, in the name of the Association, water rights, properties, or facilities for the use of members and take such other actions as are consistent with the purposes of the Association. All expenditures not covered by the budget shall be approved by the Board of Directors at the regular Board meetings. All expenditures and contracts over \$500.00 shall be approved by the Board of Directors. Any expenditure of \$500.00 or under, covered by the budget, must be approved by the Director making the expenditure. Capital projects estimated to cost more than ***\$10,000 will require two or more competitive bids, and the Board of Directors (not a Committee) shall decide the recommended bid. That \$10,000 figure may rise to \$20,000 but only in urgent situations (i.e. where the time estimated to be spent obtaining competitive bids will cause a substantial financial loss or other material detriment to the Association).***

SECTION 4. The Board of Directors shall not impose any liability or levy any assessment upon the members other than the maintenance fees as described in ARTICLE XI. or fines and/or levies as described in Article XII.

SECTION 5. Any Board or Committee member authorized by the Board to spend monies must submit receipts promptly to the Treasurer itemizing the work done and supplies purchased. All bills must be signed by the board member authorizing the expenditures.

ARTICLE IX: COMPENSATION OF DIRECTORS AND OFFICERS

SECTION 1. Neither the officers, directors, nor members serving on committees shall receive any salary or compensation for services rendered to the Association, except the Executive Secretary and Treasurer as shall be fixed by the Board of Directors.

ARTICLE X: REMOVAL OF ANY BOARD MEMBER OR OFFICER

SECTION 1. Removal of any member of the Board or any officer by action of the Board of Directors.

** (a) A board vote of two thirds or more of board members present at a meeting supporting the board's motion may ask for a resignation or may remove a board member or officer.

(b) Offending board member can request a hearing from the general membership and the vote of the general membership to request reinstatement.

(c) A two thirds affirmative vote by the general membership present at the meeting will reinstate the board member.

** (d) A director or officer may be asked to resign or be removed pursuant to the above procedure for the following reasons:

1. Violation of legal procedures
2. Violation of these by-laws
3. Neglect of fiduciary duties
4. Unexcused failure to attend three consecutive board meetings as scheduled in the by-laws.

ARTICLE XI: MAINTENANCE FEES

SECTION 1. Creation of the Lien and Personal Obligation for Maintenance Fees.

Each owner of any lot, including any purchaser at a judicial sale, shall be deemed to covenant and agree to pay the association an annual maintenance fee; such maintenance fee to be fixed, established and collected as hereinafter provided. No owner may waive or otherwise escape liability for the maintenance fee provided for herein by non-use of the streets and roads or other common elements or abandonment of the same. The annual maintenance fee shall be payable by all lot owners on or before May 1st of each year or the lot owner is delinquent and not in good standing. All maintenance fees shall be paid to the Executive Secretary. Maintenance fees not satisfied by December 31st of that year will be charged interest computed by the method defined in Section 5 below.

SECTION 2. Purpose of Maintenance Fees

The annual maintenance fee levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of Clearwater Beach and in particular for the improvement and maintenance of common elements of any easement in favor of the Association, including but not limited to, the cost of taxes, insurance, labor, equipment, materials, management, maintenance and supervision thereof, as well as for such other purposes as are permissible of and undertaken by the Association.

SECTION 3. **Establishing the Maintenance Fees

The Board of Directors of the Association shall fix the maintenance fee for the next fiscal year prior to the annual meeting for the current fiscal year. Should the board determine that no change in maintenance fees is projected, no further action need be taken and the maintenance fee last adopted will remain in effect.

**The Association shall upon demand at any time, furnish to any owner liable for said maintenance fees a certificate in writing signed by the President, or the Director who is the Membership Committee Chairman, setting forth the amount of fees that have not been paid. In the event all fees have been satisfied this will be indicated. Such certificate shall be accompanied by a copy of Article XI Maintenance Fees of the Associations By-Laws.

SECTION 4. Members Approval of the Annual Maintenance Fee

**Changes in the annual maintenance fee set by the Board of Directors of the Association must be approved by a simple majority of the members attending the Annual Meeting and those submitting a proxy vote. Only owners in good standing (that is, who are not delinquent in maintenance fees) and those designated voting members as stated in Article II, Section 3 may vote.

SECTION 5. The Effect of Non Payment of Maintenance Fees; The Lien, The Personal Obligation Remedies of Association.

If any maintenance fees are not paid, such fees shall then be delinquent and shall, with the cost of collection thereof (including the cost of filing a lien and reasonable attorney fees) and interest thereon, become a continuing lien on the lot(s) against which such maintenance fees are made that shall bind such lots in the hands of the owners, his heirs, devisees, personal representatives, transferees and assigns and shall also be a continuing obligation of the owner(s) against whom the maintenance fees are levied. Interest shall be charged against all delinquent maintenance fees at an annual rate equal to the interest rate paid on thirty year Treasury Bonds as reported on the first Friday of May in the Wall Street Journal. If the maintenance fees are not paid by December 31st of the applicable year, then the Association may, at any time thereafter file a lien against the lot(s) or take any other legal action deemed appropriate.

No delinquent lot owner or his family, guests, invitees, heirs or successors in interest shall be entitled to the use or benefit of any of the Associations facilities or properties, for as long as such delinquency, such use or benefit. Failure of the Association to enforce any of the provisions of this article shall not be deemed a waiver of such right to enforce, regardless of when any right to enforce may have first arisen.

*****SECTION 6: *Notwithstanding any provision to the contrary in these By-Laws, membership fees for lots owned by East Hampton Town or other government or preservation entities are waived, and such owners shall have no rights of membership, including without limitation the right to vote or to otherwise participate in the affairs of the Association or to use the Association's facilities.***

Article XII: RULES AND REGULATIONS FOR MEMBERS AND GUESTS

SECTION 1. The Board of Directors, with the approval of a majority of the general membership, shall from time to time establish rules and regulations for the use and enjoyment of special properties or facilities owned, leased or maintained by the Association. Any member whose conduct, while using the properties or special facilities of the Association or permitting its guests, tenant, and/or licensee to use such facilities shall, in the opinion of the Board of Directors by a vote of two thirds of the entire Board of Directors, in violation of such rules and regulations, shall be subject to the following penalties:

1. Written reprimand and reminder of the rules and regulations, and/or
2. Denied accesses to Association facilities for a period of time, not to exceed two years, and/or
3. Reimbursement to the Association for the fixing of any damage done during the use/abuse of the facilities, which reimbursement shall be due and payable within 30 days of the work being performed to correct such damage, which if not paid shall become a continuing lien of the lot(s) of the owner and shall be treated, and have the same effect, as non-payment of maintenance fees as set forth in Article XI, Section 5 of these By-laws, and/or
4. Fine in the amount of no more than \$2000.00 per occurrence, which fine shall be due and payable within 30 days of imposition, which if not paid shall become a continuing lien of the lot(s) of the owner and shall be treated, and have the same effect, as non-payment of maintenance fees as set forth in Article XI, Section 5 of these By-laws.

The Board of Directors shall set the penalty by a two-thirds vote of the entire Board of Directors. The severity of the penalty shall be solely determined by the Board of Directors and shall take into account, as solely determined by the Board of Directors, the violation has on the detriment of the Association, including by not limited damage to Association property, risk of injury to members or others and/or their property, potential liability on the part of the Association, the in ability of other members to use the facilities, and the need for police involvement in connection with the activity.

A member shall be given no less than two weeks written notice, sent to the address on record, as to when and where the Board of Directors shall be meeting to discuss and determine if a violation of the Rules and Regulations has occurred and in the event it has the setting of penalties. The Board can hear such people as they deem appropriate, and review such evidence as is necessary to make its determination. The member shall be provided the opportunity to be heard and present evidence and witnesses.

Any member aggrieved by an adverse determination of the Board may appeal the determination of the Board if a violation of the rules and regulations occurred to the general membership, the majority of which may overrule the board. The appeal shall be by way of a special meeting called by the President of the Board after receiving written request by the member aggrieved by the determination. The special meeting, including notice and conduct, shall be controlled by Article IV of these By-Laws. Notwithstanding the foregoing, 25% request of members for such meeting shall not be required and the meeting shall be deemed to be called at the President's own initiative.

SECTION 2. Each and every member of the Association, for himself, his family and his guests, shall be bound by and abide by these rules and regulation

SECTION 3: If the Board of Directors/Association is required to take legal action to enforce the By-Laws, any covenants and restrictions, and/or rules and regulations the member shall be responsible for all resulting fees, costs and expenses incurred by the Board of Directors, including legal fees, collection charges and related costs and expenses, and shall fully reimburse the Board of Directors/Association for such fees, costs and expenses. Such fees, costs and expenses shall become a continuing lien of the lot(s) of the owner and shall be treated, and have the same effect, as non-payment of maintenance fees as set forth in Article XI, Section 5 of these By-laws.

ARTICLE XIII: NOTICES

SECTION 1. All notices to members shall be mailed to their addresses as given on the books of the Association and such mailing shall constitute presumptive evidence of service thereof.

ARTICLE XIV: AMENDMENTS

SECTION 1. These by-laws may be amended only by a majority vote of the members present at a regular or special meeting of the Association, provided notice of the purpose of the proposed amendment has been stated in the call for the meeting.