

**TAHOE SWISS VILLAGE HOMEOWNERS' ASSOCIATION
BUOY FIELD
OPERATING RULES AND REGULATIONS
EFFECTIVE JUNE 30, 2006 & AMENDED on MAY 5, 2011
(Five Pages)**

INTRODUCTION

The Tahoe Swiss Village Homeowners Association is the sole lessee of the TSVHA buoy field. This right is granted under a lease from the State of California acting through the State Lands Commission. The lease has been entered into by TSVHA for the purpose of maintaining multiple use recreational boating and swimming facilities for the benefit of its dues-paying members. The facilities permitted by the State of California on its publicly owned property include the TSVHA piers and buoy field located adjacent to two beach parcels [APN 085-020-048 & 085-020-080] owned by the TSVHA.

The Lease, in part, permits a set number of buoys in the buoy field. It is the intention of the TSVHA to administer and maintain this field in compliance with the requirements of the Lease. The Lease in part requires TSVHA in administering the buoy field (i) to provide proper maintenance of authorized equipment, (ii) to maintain the approved layout of the buoy fields, and (iii) to provide for the use of the buoys (and the other permitted facilities) by all TSVHA members.

These rules have been adopted to insure that TSVHA is in compliance with the Lease and that all TSVHA members are informed of the rules for management of the facilities permitted by the Lease.

This document was approved by the TSVHA Board of Directors on June 30, 2006 and supersedes in all aspects previous Operating Rules and Regulations. These Rules and Regulations may be amended only by the lawful action of the Board of Directors of the TSVHA.

I. Buoy and Pier Committee; Buoy Director

A. The TSVHA Board of Directors shall designate annually the members of the Buoy and Pier Committee who shall be chosen from the roster of the Board. The Buoy Committee shall function as a standing committee and shall implement policies and procedures for the maintenance of the TSVHA buoy field. The Board of Directors shall act as both the major policy setting body based on recommendations from the Buoy Committee and as the appeal body for any TSVHA member who disagrees with a decision of the Buoy Committee.

B. The ongoing operation of the buoy fields by TSVHA shall be the responsibility of the Buoy and Pier Committee. The Buoy and Pier Committee shall review the buoy field

rules and regulations regularly and make recommendations to the TSVHA Board for final approval. Any rule change that would conflict with the terms of the Lease shall not be effected without the consent of the State Lands Commission.

C. The TSVHA President, the Board of Directors, or the Buoy Committee may designate a director to serve as Buoy Director for the Buoy Field.

II. Definitions

A. Buoy User: A TSVHA dues-paying member who is given the right to use a TSVHA buoy in accordance with these rules.

B. Property Renter: An individual who rents or is invited to use at no charge a home owned by a TSVHA member.

C. TSVHA: Tahoe Swiss Village Homeowners Association, a California nonprofit Association. TSVHA is the master lessee of all the buoy positions within the TSVHA field and is the owner of all buoy equipment within the field.

III. Renting and Revenues

A. TSVHA, acting through the Board of Directors and the Buoy Committee, shall have the sole and exclusive right to rent buoy equipment [buoy, tie line, chain, buoy block, etc] within the TSVHA field. No TSVHA member shall respond to any request to lease, rent or allow the use of a buoy within the TSVHA field but shall refer any such requests to the Buoy Director or a member of the Buoy Committee.

B. The Board of Directors acting on the recommendation of the Buoy Committee and the Treasurer upon the submittal of an annual operating budget shall have the sole authority for setting buoy rental rates each year. Such annual fees shall be set no later than the annual spring meeting of the Board of Directors. Rental amounts shall be set for not less than three time periods (i) weekly, (ii) monthly and, (iii) season (May through October).

C. All revenues generated from the collection of buoy rents shall be maintained in a separate buoy fund account that shall not be commingled with any other fund or account maintained by the TSVHA.

D. The TSVHA Lease with California State Lands Commission expressly prohibits the leasing or renting of buoys directly or indirectly for profit as a commercial operation. The lease does allow for charges to be set at a level that provides for deferred maintenance or a “sinking fund” in addition to standard annual expenses. The inclusion of such sinking fund expenses shall be for buoy field maintenance exclusively.

E. No TSVHA member shall rent a buoy for purposes other than as mooring for the member’s boat. TSVHA members are specifically prohibited from providing a buoy the

member has rented to a party renting the member's house. A Property Renter may be allowed the use of a buoy by the Buoy Director. See Section IV.

IV. Buoy Allocation and Assignment

A. Each year with the mailing of the dues request to TSVHA members, notice shall be given to TSVHA members of the opportunity to rent a TSVHA buoy. The Buoy Request/Equipment Use Agreement and other related notices will be posted on the TSVHA Web Site.

B. Each year on or about May 5th, the Buoy Committee shall provide on the TSVHA Web Site, a Buoy Request/Equipment Use Agreement (the "Application") and any other related notices. The Buoy Request/Equipment Use Agreement shall contain at a minimum the following information:

1. Name, permanent address and telephone number of the applicant;
2. Type, length and weight of the boat;
3. Make, model and CF number or federally documented name.
4. Specify the requested time period [from date to date] for buoy use;
5. Specify the name of applicants' insurance company and policy number;
6. Include the buoy use fee schedule; and
7. Contain the signature of the responsible party requesting use of the buoy.

All persons submitting a Buoy Request/Equipment Use Agreements shall maintain and provide evidence of liability insurance in a form acceptable to the Buoy Committee for the boat and buoy adequate to protect TSVHA against liability for damage and injury claims arising from the use of the buoy by the person, and their invitees or guests. The limits of liability shall not be less than a combined single limit for bodily injury, property damage and personal injury liability of \$500,000 each occurrence and \$500,000 aggregate. This can be in the form of a schedule page from your insurer or insurance agent as long as it shows you as the insured and it is in effect for the entire period the buoy will be used.

No boat shall be moored on a buoy by any person prior to the submittal of evidence of insurance acceptable to the Buoy Director.

It shall be the responsibility of the TSVHA member to return those application forms in a timely manner to be designated by the Buoy Committee.

C. After the deadline for submission of Applications, the Buoy Director shall determine if sufficient buoys are available to accommodate all members who have requested the use of a buoy. If there are sufficient buoys available to accommodate the requests of all TSVHA members, then each applicant shall become a Buoy User for the current year. If there are more requests than available buoys, after first applying one or both of the following lawful preferences established by the Board of Directors (i) preferences for

buoy requests of shorter duration so as to accommodate the maximum number of members wishing to be Buoy Users and (ii) preferences for members who were not accommodated in the prior year, then the Buoy Director shall use a random selection method, such as drawing numbers from a hat, to determine the other members who shall be Buoy Users for the current year.

D. Once the current year Buoy Users have been selected as provided in Paragraph C above, the Buoy Director, in consultation with the Buoy Committee, shall assign specific buoys to the current Buoy Users. The Buoy Director shall have broad discretion in assigning buoys and may consider the following factors (without suggesting relative importance) in making assignments:

1. Type and size of boat;
2. Age and physical ability of principal boat users;
3. Length of TSVHA membership and history of buoy use;
4. Time of submission of buoy request.

E. All efforts shall be made by the Buoy Director to communicate assignments on or before May 15th each year.

F. No TSVHA member will be assigned a second buoy in any season until each TSVA applicant has been assigned one.

G. A Property Renter may apply to use a buoy within the TSVHA field limited to the time frame of the property rental. TSVHA will satisfy the needs of all members applying for buoys before satisfying the applications or requests from Property Renters.

V. Liability Insurance

A. The person requesting use of a buoy shall maintain and provide evidence of liability insurance in a form acceptable to the Buoy Committee for the boat and buoy adequate to protect TSVHA against liability for damage and injury claims arising from the use of the buoy by the person, and their invitees or guests. The limits of liability shall not be less than a combined single limit for bodily injury, property damage and personal injury liability of \$500,000 each occurrence and \$500,000 aggregate. This can be in the form of a schedule page from your insurer or insurance agent as long as it shows you as the insured and it is in effect for the entire period the buoy will be used.

The Buoy Committee shall from time to time establish the minimum comprehensive liability insurance required based on reasonable and prudent limits readily available in the marketplace. Each Buoy User should confirm that the liability coverage of the Buoy User's homeowner's policy does cover the Buoy User's liabilities arising out of the use of buoy equipment in the TSVHA field.

B. Separate Watercraft Coverage

Although some watercraft insurance companies will not name TSVHA as additional insured, for the Buoy User's protection and that of TSVHA, it should be verified that the Buoy User's watercraft when operated and moored within the confines of the TSVHA buoy field has a reasonable amount of general liability insurance including risks associated with use of the TSVHA buoy field.

VI. Unauthorized Use

A. The unauthorized use of a TSVHA buoy shall be considered a trespass. The Buoy and Pier Committee members shall be authorized to contact local law enforcement agencies or the Coast Guard to have the boat or equipment removed and/or a fine may be levied by the TSVHA Board of Directors. In addition, the Buoy Director is authorized to contract for the removal, at the expense of the owner, of any unauthorized watercraft moored within the TSVHA field in violation of these rules.

B. Repeated violations of these rules shall constitute grounds for the Buoy Committee to make a member ineligible to become a Buoy User.