

Sparkling Waters Homeowners Association Rules and Regulations
October 29, 2020

RULES AND REGULATIONS

SPARKLING WATERS SUBDIVISION

State of Florida
County of Okaloosa

Based on paragraph 21 of the Sparkling Waters Homeowners Association (SWHA) Covenants, Restrictions and Reservations (CR&R) recorded with the Okaloosa County Clerk of Courts on April 22, 2020, the SWHA Board of Directors (BOD) has established the following updated schedule of fines applicable to violations of the CR&R, the Mooring Facility Rules and Regulations (MF R&R), and other SWHA Rules and Regulations contained herein.

SWHA homeowners may request a temporary variance to the CR&R, MF R&R, or other Rule and Regulations for a limited period of time under exceptional circumstances. Requests shall be made in advance to a SWHA Director who will notify other Directors and neighbors as required. Violations of the CR&R, MFR R&R, and other Rules and Regulations without a variance may result in a fine based on the provisions herein.

In every case in which there is a potential fine or suspension of benefits, the homeowner shall be provided notice of the proposed fine or suspension in accordance with Florida law and an opportunity to correct the violation. The homeowner will have an opportunity for a hearing in front of a non-interested Appeals Committee. Notice of the decision of the Appeals Committee will be provided in writing to the homeowner. Any fines levied against a homeowner will be payable within fourteen days after receipt of written notice of the imposition of the fine. If fines are not paid, a late fee will be assessed at an annual rate equal to the prime rate on a monthly basis. Once fines and late fees total over \$1000, a lien may be placed on the homeowners' property. The homeowner will pay all costs associated with the filing of the lien, including the release of lien. All fines received by the Board will be deposited in the Homeowners Associations' main operating account. If the homeowner's benefits are suspended, the suspension will have immediate effect upon Appeals committee approving the suspension.

The imposition of fines and suspensions for the SWHA shall be in accordance with Florida Statute 720.305.

I. CR&R paragraphs 2-7, 9-10, Construction Commencement and Building Improvements

Per paragraphs 7 and 9, 10 of the CR&R, any building, including out buildings, boathouses and garages, or building improvement located on any home site in the subdivision must have written approval from the BOD of the plot plan and construction plans describing location and position of building or buildings to be constructed or modified thereon PRIOR to commencement of any construction. Any construction commencement that is not specifically approved in advance as provided for in the CR&R, will result in a fine not to exceed \$500. Failure to heed a Stop Work Order issued by the

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Board of Directors will result in a fine of \$100 for each day the Stop Work Order is disregarded. If the construction is deemed to be out of conformance with the Sparkling Waters CR&R, an additional fine in the amount equal to the estimated cost of remedying the non-conformance will be levied.

II. CR&R paragraph 2, One Single family residence per home site

Violations of paragraph 2 of the Sparkling Waters CR&R will result of \$100 for the first notice. Failure to heed a Stop Work Order issued by the Board of Directors will result in a fine of \$100 for each day the Stop Work Order is disregarded. The SWHA reserves the right to levy additional fines for a continuing violation of paragraph 2.

III. CR&R paragraph 6, Structures, tents, mobile homes, outbuildings

Violations of paragraph 6 of the Sparkling Waters CR&R will result of \$100 for the first notice. Failure to heed a Stop Work Order issued by the Board of Directors will result in a fine of \$100 for each day the Stop Work Order is disregarded. The SWHA reserves the right to levy additional fines for a continuing violation of paragraph 6.

IV. CR&R paragraph 7, Building Material Storage

Any violation of paragraph 7, of the Sparkling Waters CR&R will result in a fine of not more than \$100. The SWHA reserves the right to levy additional fines for a continuing violation of the provisions in paragraph 7.

V. CR&R paragraph 8, Commercial Activity

This provision shall include parking of large commercial vehicles or trailers, and the use of any residence for short-term rentals. Any violation of paragraph 8 of the Sparkling Waters CR&R will result in a fine of not more than \$100 and the potential suspension of privileges to the Sparkling Waters Amenities. The SWHA reserves the right to levy additional fines for a continuing violation of the provisions in paragraph 8.

VI. Paragraph 11, Refuse, inoperable vehicles, RVs, boats and trailers

This provision shall include trailers of all types. Violations of paragraph 11 of the Sparkling Waters CR&R will result in an initial fine of up to \$100. The failure of the homeowner to comply with paragraph 11 within 14 days of the formal notification and levying of the initial fine, will result in an additional fine of up to \$100 for each week (7-calendar day period) that the violation is not rectified --not to exceed \$500. The SWHA reserves the right to levy additional fines, not to exceed \$1000 total, for continuing violations of paragraph 11.

VII. CR&R paragraph 12, Animals

Any violation of paragraph 12, of the Sparkling Waters CR&R will result in a fine of not more than \$100. The SWHA reserves the right to levy additional fines for a continuing violation of the provisions in paragraph 12.

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VIII. CR&R paragraph 13, Signs

Any violation of paragraph 13, of the Sparkling Waters CR&R will result in a fine of not more than \$100. The SWHA reserves the right to levy additional fines for a continuing violation of the provisions in paragraph 13.

IX. CR&R paragraph 14, Sewage

Any violation of paragraph 14, of the Sparkling Waters CR&R will result in a fine of not more than \$100. The SWHA reserves the right to levy additional fines for a continuing violation of the provisions in paragraph 14.

X. CR&R paragraph 15, Excavation

Any violation of paragraph 15, of the Sparkling Waters CR&R will result in a fine of not more than \$100. The SWHA reserves the right to levy additional fines for a continuing violation of the provisions in paragraph 15.

XI. CR&R paragraph 17.1, Assessments

If the member is more than 90 days delinquent in paying monetary obligations, to include annual assessments, special assessments and slip maintenance fees, due to the association, the association will suspend the rights of the member, or the member's tenant, guest, or invitee, to use the Sparkling Waters Amenities until the monetary obligation is paid in full. A delinquency of 90 days will result in a late fee of not more than \$100. If fees are not paid, additional late fees will be assessed at an annual rate equal to the prime rate on a monthly basis.

XII. CR&R paragraphs 17.2 through 17.11, Mooring Facility

Any violation of the CR&R paragraphs 17.2 through 17.11 and the Sparkling Waters Mooring Facility Rules and Regulations, of the Sparkling Waters Homeowners Association will result in a fine of not more than \$100 upon 15 days prior written notice. The SWHA reserves the right to levy additional fines for a continuing violation of the provisions in the Mooring Facility Rules and Regulations. Mooring Facility Rules and Regulations shall apply to all Sparkling Waters residents, not just slip owners. SWHA shall have the right, but not the obligation to make the repairs and the Boat Slip Owner shall be responsible for the reimbursement of all costs incurred by the Association in connection with such repairs.

Provisions of the Mooring Facility Rules and Regulations:

- 1. The annual Slip Fees shall be determined by the Board of Directors of the Association, which shall annually estimate the expenses of the Association for the ensuing year, plus any deficit from the preceding year, as well as a reserve for the payment of indebtedness or other corporate purposes, and shall levy assessments in writing to all Slip Assignees to meet such expenses. Payments shall be made as directed by the Association Treasurer.*
- 2. Slip Assignees must be current on all assessments to the Association, including both standard Association annual assessments and Slip Fees, in order to use the Mooring Facility and Boat Slip.*
- 3. The Mooring Facility shall be used only on a non-commercial basis by and for benefit of the authorized Boat Slip users. Authorized users are Slip Assignee,*

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Assignee's family and accompanied guests, or Assignee's tenant. See further details under Section XIII Sparkling Waters Amenities.

- 4. Any vessel moored in a Boat Slip must be registered or documented in the name of the authorized Boat Slip user.*
- 5. Boat Slip users must maintain vessel liability insurance on any vessel moored.*
- 6. Live-aboards are prohibited on any vessel moored at the Mooring Facility.*
- 7. No boat shall be moored outside of a designated slip in the Mooring Facility*
- 8. All vessels shall be moored in a seamanlike manner with minimum 1/2 inch nylon dock and spring lines, unless in a boat lift. Vessels or other structures moored in the slip must not bang against the dock structure or finger piers due to wave or tidal action.*
- 9. No supplies, equipment, or other items shall be left on the docks. Boat Slip users shall ensure the Mooring Facility is clean, and all trash and other refuse is removed after each use.*
- 10. All electrical lines from the dock to the boat must be three wired, grounded extension lines designed for marine use. Power and water stanchions will not be used to secure power cords, hoses or other lines.*
- 11. Boat Slip users shall not use, nor permit others to use the Mooring Facility for any disorderly or unlawful purpose. Boat Slip users and all guests will at all times conduct themselves in a quiet and orderly manner.*
- 12. Boat Slip users shall remove vessel from Mooring Facility if directed by the dock master (due to adverse weather/hurricane, required repairs, loss of use privileges, etc.).*
- 13. Boat Slip users shall require all rules and regulation to be faithfully observed by family, guests, employees, tenants and other persons using the Mooring Facility with the Boat Slip user's express or implied consent.*

XIII. Sparkling Waters Amenities.

Sparkling Waters has several amenities. They are the Mooring Facility, the Gazebo, and the Beach Area. There are two parts of the Mooring Facility: the Boat Slips, and the Common Dock. The Gazebo and Beach Area will be referred to hereafter as "Gazebo." Privileges available for the various Sparkling Waters amenities available to persons of various categories shall be as specified in Table 1 below. For the purpose of Table 1, the following definitions apply. A Boat Slip Assignee is the person or persons who signed a Boat Slip Assignment and Agreement with SWHA. Immediate Family means parents and children of the owner/assignee. Permanent household means someone who resides in the home, lists the home as their address, receives mail, and in all other respects treats the home as their domicile. Resident tenant means a resident with a lease for a home in Sparkling Waters that complies the CR&R—short-term renters are not resident tenants. Accompanied use means using the amenities while being accompanied 100% of the time by an authorized host.

• **Security Door and Keys**

All SWHA amenities are secured with a locked security door. Keys have been distributed to the owners and tenants. No one shall give keys to the amenities to anyone authorized only for accompanied use for the purpose of using the facilities without being accompanied. All keyholders shall surrender keys upon SWHA request if property is sold or if the holder loses privileges to the amenities. Failure to

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turn in keys when requested, or unauthorized copying of the keys will result in a fee of \$250 to reimburse the SWHA for the cost of re-keying the lock and distributing new keys. Since this is a fee and not a fine, it is not subject to protest or appeal.

- **Host and Guest Requirements**

No guest shall be eligible to act as a host. Each Host shall be limited to two (2) guests without prior approval. If using multiple Hosts to allow more than two guests, all Hosts shall be present at all times. If an owner/tenant would like to request more guests for a party or function, they shall request permission in advance of the event. The requesting owner/tenant shall submit a list with the names of the guests and the age of all guests under 40 years old. The request shall be approved by an Officer of the SWHA. While using Sparkling Waters Amenities, all guests shall be required to show ID upon request, and all coolers, bins, and containers are subject to inspection by the SWHA Officers or the Dock Master/Assistant Dock Master upon suspicion of any illegal activity.

Table 1

Personal Category	Privileges
Owner and permanent household	Use of Common Dock/Gazebo; Host
Owner’s non-resident Immediate Family	Use of Common Dock/Gazebo
Owner’s houseguest	Use of Common Dock/Gazebo
Resident tenant and permanent household	Use of Common Dock/Gazebo; Host
Other Common Dock/Gazebo Guests	Accompanied Use of Common Dock/Gazebo
Boat Slip Assignee and permanent household	Use of Boat Slip; Host
Boat Slip Assignee’s non-resident Immediate Family	Use of Boat Slip
Boat Slip Assignee’s houseguest	Use of Boat Slip
Boat Slip Assignee’s resident tenant and permanent household	Use of Boat Slip; Host
Other Boat Slip Guests	Accompanied Use of Boat Slip

- **Host Responsibilities**

Hosts are responsible for the behavior of their guests. All authorized users and guests shall comply with the Sparkling Waters Amenities Code of Conduct at all times. Anyone violating the Code of Conduct or these Rules and Regulations may be asked to leave by an SWHA Officer or the Dock Master/Assistant Dock Master. If asked to leave by an authorized official, SWHA members or their guests shall follow the direction of the official and vacate the premises immediately. All Hosts shall cooperate with the SWHA in removing guests that are asked to leave.

- **Sparkling Waters Amenities Code of Conduct**

All Users, Hosts, and Guest shall:

1. Use the amenities for their intended purpose;

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2. Follow the Mooring Facility Rules and Regulation if using those facilities;
3. Not interfere with other person's ability to enjoy the amenities;
4. Not use or display foul or abusive language or gestures;
5. Not threaten, intimidate, or verbally abuse any other person;
6. Not appear to be intoxicated or in a position of diminished capacity;
7. Not engage in any illegal or unsafe activity; and
8. Not otherwise be disorderly or disruptive.

- **Parking.**

There are no common parking facilities in Sparkling Waters. Shimmering Lane and Radiant Circle are private roads, and parking on the street in front of homes is reserved for the residents of those homes and their authorized guests. All hosts of guests using the Sparkling Waters Amenities shall have their guests park at their home and walk to the amenities. Vehicles of guests using the amenities that are parked in front of other homes are subject to being towed.

- **Fines and Penalties.**

Any violation of the Sparkling Waters CR&R or these rules and regulations will result in a fine of not more than \$100 per violation to the record owner of the lot. In addition, privileges to the Sparkling Waters Amenities may be suspended by the Board of Directors for a period of time to be determined by the Board depending upon the severity of the violation. If privileges are suspended, the owner will be asked to turn over the keys until privileges are restored. Use of the facilities while privileges are suspended will result in additional fines. The fines and suspension of privileges detailed herein are subject to appeal by the owner as documented in these Rules and Regulations.

XIV. Miscellaneous Violations

All other violations of the Sparkling Waters CR&R, or Mooring Facility Rules and Regulations, and other Rules and Regulations as adopted by the SWHA Board will result in a fine of not more than \$100. The SWHA reserves the right to levy additional fines for continuing violations.

XV. Fine Process

- **Notice of Fine**

Upon the Association becoming aware of a violation that warrants a fine, the Association will send a letter notifying the homeowner of the potential fine, the appeal process, and the timeline for actions. Homeowners will be responsible for fines for offenses committed by tenants or guests. The homeowner will receive 14 days' notice of the appeal hearing.

- **Appeal Hearing**

The Association will schedule an appeal hearing with the appeal committee, and the homeowner will have an opportunity to appear before the committee or present written appeal justification. The appeal committee will be comprised of independent Association members in accordance with Florida statutes. If the appeal committee does not approve the fine or suspension, it will not be imposed. If the appeal

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committee approves the fine or suspension and the homeowner is in attendance, it will be imposed and the imposition letter will be hand delivered to the homeowner.

- **Imposition Letter**

If the homeowner does not appear before the appeal committee and the appeal committee approves the fine or suspension, the Association will provide an Imposition letter to the homeowner. Fines will be due 14 days from the date of the Imposition letter. Suspensions will be effective immediately and keys must be turned in immediately.

- **Failure to Pay Fines**

If the homeowner does not pay the fine, both the principal amount of the fine and interest will be charged. Interest will be accrued at the Prime Rate.