

Big Sandy Homeowners Association, Inc.

Rules and Regulations of the Big Sandy Lake and Subdivision

All Big Sandy Homeowners Association, Inc. members, owners, residents or occupiers of Lots 1-107 (or any new re-plats thereof) are responsible for ensuring that they and their guests understand and abide by the Rules and Regulations of the Big Sandy Lake and Subdivision. The Subdivision includes the following property: ***"Lots 1 through 107, and Outlots A, B, C, D, F, K, L, M, N, O, P, Q, R, S, T, U and V located in the Big Sandy Development Original, 1st, Addition, 2nd Addition and Big Sandy Development re-plats, Saunders County, Nebraska."*** Disregard for and abuse of these Rules and Regulations are grounds for suspension of privileges to use the Lake or any other Common Facility.

These rules and regulations are designed to give Lot owners a common understanding for expected behavior and to help maintain a safe environment for all Lot owners and guests. There will be times when a Lot owner is exhibiting poor judgment and placing themselves or other Lot owners, guests and families at risk of harm and yet not actually breaking any specific rule(s). Additionally, Lot owners, from time to time, may break a rule without risk of harming anyone or causing problems to other Lot owners. The Association's Board of Directors and all Lot owners should take into account, when reporting infraction(s), whether infractions truly exhibit negligent behavior or are a technical violation of the rules and regulations. Additionally, it is assumed that Lot owners will try to directly communicate observed violations and resolve minor grievances with other Lot owners before taking these grievances to the Association Board of Directors.

The Association, or individuals acting under the authority of the Association, is not liable for any damages and/or injuries sustained while guests are using the Association facilities or on Association property. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Subdivision's Declaration filed on December 28, 2007, or in the Association's bylaws dated June 13th, 2005.

If a member of the Association wishes to report an observed violation of these Rules and Regulations, a written complaint should be filed with the Board of Directors. This written complaint may be shared with others in the Association. The complaint should include:

1. The date and time of the violation.
2. The nature of the violation.
3. The lot number and name of the violator, if known.

I. Guests and Safety

All Lot owners and any other person or entity using or entering the Subdivision, including lessees and other persons in the Subdivision through the acts or omissions of a Lot owner, shall be responsible for taking reasonable steps to ensure the safety of all Lot owners and guests. Any condition or obstruction within the Subdivision that may pose a risk of safety to the Lot owners or their guests shall be reported to the Association's Board of Directors immediately. Furthermore, each Lot owner shall take reasonable steps to warn or otherwise abate the condition or obstruction until the Board of Directors has had time to address the situation. **All Lot owners are required to obtain an umbrella liability policy with coverage of at least one million dollars (\$1,000,000).**

II. Swimming

1. Swimming across the Lake is prohibited.
2. Swimming at the boat launching area is prohibited.
3. The 25-foot area adjoining the residential lots is reserved for swimming.
4. Scuba Diving is allowed only by special permit from the Association.
5. All scuba divers must use a flag while diving. All watercraft of any kind must stay 75 feet from this flag.

III. Noise, Pets

Noise rising to the level of a nuisance shall be prohibited.

IV. Lake & Miscellaneous Rules

1. Lot owners must comply with the Lake restrictions set forth in the Covenants (Declaration) as adopted or revised from time to time.
2. All watercraft operating on the Lake must comply with all applicable laws, Regulations, ordinances, and these Rules and Regulations.
3. Should any Lot owner or Lot owner's immediate family member, guest, lessee, or invitee, permit, authorize, or participate in any way in the violation of these Rules and Regulations, this may be grounds for revocation of the Lot owner's rights and privileges. In addition, privileges may be revoked until the set charge or fine has been paid and until a written application for reinstatement has been made to and approved by the Board of Directors of the Association. The Board of Directors shall issue fines and other punishments for any rule violations in their sole discretion and in the furtherance of the goals of the Subdivision and the enjoyment and safety of all Lot owners. Punishments may including warnings, fines, reprimands, loss of Lake privileges, and for repeated and severe violations, revocation of a dock easement. Any punishments issued by the Board may be overturned by a vote of the Association members as outlined in the Association's bylaws.

4. Guest boats or other watercraft are not allowed on the lake. The exception to this rule is association sanctioned events like water ski or wakeboard tournaments.
5. To maintain safety for participants, watercraft may be restricted during special events as deemed necessary by the Board of Directors.
6. No watercraft shall be equipped with sanitary facilities of any kind that is capable of directly discharging into the water.
7. Jet Skis and Boats with Inboard, Inboard-Outboard, and Outboard motors are allowed, subject to limitations as set forth in the Rules and Regulations. Maximum boat length is 25 feet. Jet boats and Airboats are prohibited. It is required that engines on boats and jet skis be four-stroke. Stand-up jet skis are the exception to this rule. All watercraft must display a Big Sandy decal and Lot number prominently on the left (port) and right (starboard) sides.
8. No boat motors may be altered or modified from their original factory production standards to increase their performance or horsepower. Watercraft using Captain's Call or other non-muffled exhaust is not permitted.
9. Speed in the launching, shore, bay and dock areas is always No Wake. Speed on the Lake before sunrise and after ½ hour after sunset is No Wake.
10. All boating or watercraft operation will be in a counterclockwise direction as outlined on Exhibit A attached hereto. Only with extreme caution and yielding the right of way to all skiers and other boats shall a boat operator cut across the Lake. All hot dogging, abrupt turns, spins, jumping, etc. will be done only in the multidirectional area located in the southeast corner of the lake. This rule applies to jet skis as well as boats pulling tubers. Double-ups (making a sharp turn and re-crossing one's wake to create a bigger wake) are not allowed in the south or north channels.
11. The south channel is designated for water skiing, wake-boarding and knee-boarding. All tubers and jet skiers must stay out of this channel. An exception to this rule is allowed for Lot owners leaving from or returning to their lots. In this case, these Lot owners are required to move through the channel in an efficient manner that causes the least disruption to skiers, wake-boarders and knee-boarders.
12. Wakesurfing is allowed, but must be confined to the open multidirectional area in the southeast corner of the lake.
13. Watercraft must not follow a person being towed at a distance closer than 300 feet. Watercraft traveling faster than No Wake shall not travel within fifty feet of another boat.
14. All watercraft and persons pulled by boats must remain a minimum of 50 feet from the shoreline, boatlifts, and docks except when the watercraft is leaving or returning to shore. It is assumed good judgment will be used in these situations.
15. Downed skiers/riders/tubers have the right-of-way at all times.
16. All boats must use appropriate lights if on the Lake at night.

17. Sailboats, canoes, rowboats, paddleboats, any vessel not operating under mechanical power, any anchored vessel, and swimmers always have right of way over any vessel operating under mechanical power.
18. Towlines may not exceed 75 feet in length.
19. There are several NO WAKE zones at Big Sandy. NO WAKE means all watercraft shall operate at idle speed in these areas.
20. Buoys shall not be placed at Big Sandy without prior written approval from the Design Review Board. Any Buoys placed without approval will be removed.
21. Use extreme caution when the lake is icy.
22. Hunting and Fishing regulations will be distributed to Lot owners as the need arises.
23. Automobiles, ATV's with at least four wheels, and golf carts are allowed on the roads and other Association property. All other motorized vehicles are prohibited. ATV's and Golf carts must be marked with lot number.
24. Motorized vehicle speed limit is 25 MPH on Big Sandy Property. This speed limit applies to all vehicles on all roads AND also applies to all vehicles off-road in the common areas. Loud vehicles are not permitted and stock mufflers (read: quiet) are required. At no time, should these vehicles be used in a manner that creates excessive noise or is a hazard to residents. Motorized vehicles traveling on Big Sandy Property need to beware that non-motorized forms of travel (walkers, runners, bikers, roller-bladers, etc.) utilize the roads and common areas day and night. Those operating motorized vehicles should be courteous and ever vigilant of these folks on the Property.
25. Headlights and taillights must be operational after dark on all motorized vehicles. Discretion should be used when operating these vehicles at night. Those operating motorized vehicles after dark should be courteous and make sure they are operating their vehicles in the safest and quietest manner possible.
26. No camper, auto-drawn or mounted trailer of any kind, mobile home, conversion van, camper truck or similar chattel may be used, stored, or maintained on any part of a Lot or any of the Common Areas without the express prior written approval of the Board of Directors. Based upon the concerns of numerous homeowners to maintain a strong vacation home atmosphere, the Board is not likely to grant approval for any requests to use a camper, motorhome or other similar structure for daytime camping or other similar activities.
27. While lawns are permitted, the maximum lawn coverage on any lot shall not exceed 5,000 square feet. Lawns will not be permitted in the roadside ditch area (first 25 feet adjacent to the roadway). Lots that may be exempt from this restriction include Lot #'s 91-99. Lawns will also not be permitted within 80 feet of the lake.
28. The boat ramp gate must remain locked at all times. Any boats, watercraft, docks, lifts and dock or lift parts must not have been in any other lakes within the previous 6 months. If these items have been in any other body of water within the above time frame, they must be certified "clean" by an approved boat dealer. Failure to abide by this rule may subject you to the loss of lake privileges for up to 12 months.

V. Amendment

These Rules and Regulations shall be binding on all Lot owners and any person or entity using the Lake or any other Common Facility, and may be changed or amended by a written majority vote of the entire membership as provided for in the Association’s Bylaws. The number of votes which each Lot owner is entitled to is as set forth in the Declaration and the Association’s Articles of Incorporation. These Rules and Regulations may also be changed or amended by a majority vote of the Association’s Board of Directors. In the event of any conflict, a rule change or amendment enacted by the Lot owners as outlined above shall have priority and binding effect over any conflicting rule or regulation adopted by the Board of Directors.

Article VI. Water, Wellhead, and Cross Connection Policy

This article sets forth the policy of the Big Sandy Homeowners Association’s policy providing limitations for the location of potential sources of contamination or the placement of water wells.

Section 1. The intent of this policy is to establish control over the location of future potential sources of contamination within Big Sandy, extraterritorial jurisdiction of Big Sandy’s drinking water system, so as to prevent or minimize any hazard to the safety of Big Sandy’s drinking water.

Section 2. For purposes of this policy, “water well” shall mean any excavation that is drilled, cored, bored, washed, driven, dug, jetted, or otherwise constructed for the purpose of exploring for ground water, monitoring ground water, utilizing the geothermal properties of the ground or extracting water from or injecting water into the underground water. Water well shall not include any excavation made for obtaining or prospecting for oil, natural gas, minerals, or products mined or quarried or inserting media to re-pressure oil or natural gas bearing formations.

Section 3. It shall be unlawful and subject to fine and penalty for any person or entity to place, maintain, construct, or replace any of the following structures or conduct any of the following activities within the distance specified below from an existing municipal water well:

<u>Category</u>	<u>Distance</u>
Water well	1,000 feet
Sewage Lagoon	1,000 feet
Cesspool	500 feet
Dump	500 feet
Feedlot or Feedlot Runoff	500 feet
Corral	500 feet
Chemical Storage	500 feet
Petroleum Storage	500 feet
Pit Toilet	500 feet
Sanitary Landfill	500 feet
Septic Tank	500 feet
Sewage Treatment Plant	500 feet
Sewage Wet Well	500 feet
Absorption or Disposal Field for Waste	500 feet

Section 4. The construction of a “Water Well” within the corporate limits of Big Sandy Development shall not be started unless a permit approved by the Association’s Board of Directors has been obtained.

Section 5. The Association's Board of Directors, may consider allowing placement of water wells, as defined by Nebraska Regulations governing public water supply systems (Title 179, NAC2) and Nebraska Regulations governing water well construction, pump installation and water well abandonment standards (Title 178, NAC12) as amended from time to time, closer to a municipal water well than the limitations set forth in Section 3 hereof. Closer placement shall be allowed only under the following conditions:

- An application must first be filed with the Association's Board of Directors showing the type of water well to be installed, the materials used, the operation of the proposed unit, and the person responsible for the actual installation of the water well. Preference, for approval, will be given to installations that do not disturb any water bearing strata.
- The Association's Board of Directors shall refer the application to its engineer for evaluation and report. The estimated cost of the engineer's fees must be paid at the time of filing the application. Any additional costs, which are reasonably incurred by the engineer in making their examination and report, shall be paid by the applicant, in addition to any previously paid estimated costs.
- Under no circumstances, no installation shall be made without the approval of both the Association's Board of Directors and the Department of Health of the State of Nebraska.

Section 6. Water wells in existence and use, as of the effective date of this policy, shall continue to be permitted unless such continued existence or use presents a hazard to the quality of the drinking water available for public use to the Big Sandy Homeowners Association's drinking water. The owner of any water well shall have the burden of establishing the existence and use of such well at the time of the effective date of this policy.

Section 7. Any person found violating any provision of this Policy shall be subject to a fine, not to exceed \$10,000.00. The continuation of the violation of this Policy shall be deemed an additional violation for every 24 hours of such continued violation. In addition, the Association's Board of Directors may obtain injunctive relief, and sue for damages and remediation, and pursue any other remedy available to it under the laws of the State of Nebraska or other authority having jurisdiction over such matters.

Section 8. All policies or part of policies in conflict herewith are hereby repealed.

Section 9. There shall be no physical cross connections between any private water system, holding tank, reservoir, sewer, drain, conduit, tank, pump, plumbing fixture, heat exchanger, or other mechanical equipment or device which contains, or may contain contaminated water, sewage or other waste, liquid or gas of unknown or unsafe quality which may be capable of imparting contamination or pollution to the potable water supply as a result of backflow (due to either backpressure or backsiphonage), and the water system of the Association unless such connection is protected by a back-flow prevention device approved deemed appropriate by the Association under the Rules and Regulations of the State Health Department and installed at the user's expense. The Association, through the licensed operator of its water system, shall conduct an on-going cross-connection control program consisting of cross connection detection by means of consumer survey, assessment of apparent hazards presented by cross connections detected through surveys, and the requirement of backflow prevention devices to be installed and maintained by consumers where necessary, in the Association's judgment, in order to protect the public against potential hazards to the water supply. The program may also include containment through the use of backflow prevention devices installed at appropriate locations throughout the water system where feasible and desirable, within budget constraints, in the judgment of the Association. Compliance with the program shall be enforced by requiring, as a condition of continued water service, the prompt return of consumer surveys as often as deemed necessary, but no less often than every five years, the correct installation and maintenance of any backflow prevention devices required by the Association, and annual written certification of testing by a state-

licensed backflow prevention device tester of required devices having test ports. Failure or refusal to comply with program requirements may be treated by the Association in the same manner as unpaid water accounts, with disconnection as a penalty. Representatives of the Association shall have the right at all reasonable hours to enter the consumer's premises for the purpose of inspection and enforcement of these provisions.

The foregoing shall constitute the Rules and Regulations of Big Sandy Lake and Subdivision and are hereby adopted and approved.

IN WITNESS WHEREOF, the Association has caused these to be executed and adopted this day of June 6, 2008.

BIG SANDY HOMEOWNERS ASSOCIATION,
a Nebraska nonprofit corporation.

By: _____

