

BYLAWS OF THE REDSTONE ESTATES ROAD ASSOCIATION
Updated July 21,2018

Contents

Article I. Name and Legal Status.....	1
Article II. Purposes.....	1
Article III. Definitions	1
Article IV. Registered Office and Agent	2
Article V. Members	3
A. Rights of Members.....	3
B. Responsibilities of Members	3
C. Meetings of Members	3
Article VI. Board of Directors and Officers	5
A. Number of Directors/Officers.....	5
B. Terms of Office of Directors/Officers	5
C. Election of Directors/Officers.....	6
D. Qualifications of Candidates for Directors/Officers.....	6
E. Powers and Duties of the Board of Directors	6
F. Specific Powers and Duties of the Officers of the Association	7
Article VII. Committees.....	11
Article VIII. Assessments and Financial Procedures	12
Article IX. Dispute Resolution	13
Article X. Amendments to the Organizational Documents	14
History of Bylaws Adoption, Amendment, and Digitizing	15

BYLAWS OF THE REDSTONE ESTATES ROAD ASSOCIATION

Updated July 21, 2018

Body

Article I. Name and Legal Status

The name of this Colorado non-profit corporation, as set forth in the 1994 Restated Articles of Incorporation, is REDSTONE ESTATES ROAD ASSOCIATION.

Article II. Purposes

- A. The purposes of the corporation are as set forth in the 1994 Restated Articles of Incorporation and Properly Instituted Amendments Thereof are as follows:

To accept and collect funds for the private maintenance and operation of certain roads in the following section locations situate in the County of Larimer, State of Colorado: 5-7-70, 6-7-70, 1-7-71, 31-8-70, 32-8-70, 36-8-71; pursuant to a joint road maintenance agreement and other agreements executed by the members of this corporation.

To spend monies accepted for road purposes for road maintenance, operation and improvement.

To do all acts necessary to carrying out the purposes set out above and relative thereto, including all general powers set out in the Colorado Nonprofit Corporation Act.

Article III. Definitions

- “Annual Assessment”: The money (dues) that each Dues-Paying Entity is required to pay each year.
- “Annual Meetings”: meetings of the Association held in accordance with the Colorado Revised Statute, 7-23-104.
- “Assessment”: money the Association requires to be paid by a Dues Paying Entity, including Annual Assessment (dues), Special Assessments, and late or other charges.
- “Ballot”: a special paper on which a vote is registered.
- “Board Meetings, Regular Board Meetings”: meetings held by the REDSTONE ESTATES ROAD ASSOCIATION (RERA) Board of Directors to transact their duties.
- “Board Member, Director”: an Association Member who has been elected by the Members, or temporarily appointed by the Board, to fulfill the Director/Officer responsibilities of the corporation.
- “Closed Board Meetings”: those Board Meetings at which attendance is restricted to Board Members and specific invited persons.
- “Colorado Revised Statutes, CRS”: state laws which govern the functioning of non-profit corporations.
- “Committee Member”: an Association Member who is appointed by the Board or elected by the Association Members to serve on a Committee and fulfill the assigned responsibilities.
- “Credentials Committee”:
- “Dues Paying Entity”: the owner(s) of one or more Parcels for which a single Annual Assessment (dues) is paid.
- “In Good Standing”: having all required RERA Assessments paid in full by a date set by

established procedure.

- “Member Meetings, Regular Meetings of Members, Special Meetings of Members”: meetings of the entire RERA membership, conducted by the RERA Board of Directors, at which Members may speak and vote, by right.
- “Occupied Property”: a Parcel which at any time has a Resident or an active business on it.
- “Officer”: an Association Member who has been elected or appointed to the Board of Directors to fulfill specific duties for the corporation.
- “Open Board Meetings”: those Board Meetings which all members can attend.
- “Organizational Documents”: legal documents created by the RERA that govern Association actions, i.e., Articles of Incorporation, Bylaws
- “Parcel”: a legal lot in a platted subdivision, and/or exemption, and/or a tract of land that is assigned a “parcel number” by Larimer County that is within Association Boundaries.
- “Proxy”: a document empowering a person to act for another; a person in possession of such a document.
- “Qualified Voter”: the same as “In Good Standing”.
- “Quorum”: the minimum number of Members required to be present (in person or by proxy) at a meeting before such business can be validly transacted.
- “RRA, REA, RERA, Association, Road Association”: other informal names for the REDSTONE ESTATES ROAD ASSOCIATION.
- “RERA Member, Member”: a person or legal entity who is a RERA Property Owner.
- “RERA Property Owner, Landowner”: a person or legal entity who owns part or all of a Parcel in the following area defined as:

T7N, R70W of 6th PM.

Section 5: Lot 8, 9, 13, and SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 6: Lot 3, 4, 5, 8, 9, 10, 11, 12, SE $\frac{1}{4}$ SE $\frac{1}{4}$

T7N, R71W of 6th PM.

Section 1: Lots 5 and 6

T8N, R70W of 6th PM.

Section 31: All.

Section 32: W $\frac{1}{2}$ W $\frac{1}{2}$.

T8N, R71W of 6th PM.

Section 36: All except SW $\frac{1}{4}$ SW $\frac{1}{4}$ 025 part and 029

- “Resident”: a person who occupies a property for thirty (30) days or more in a calendar year.
- “Voting by Mail”: distribution of Ballots by mail, or in any way other than distribution at a Member’s Meeting.

Article IV. Registered Office and Agent

- A. The registered agent of the corporation shall be the person who currently serves as the Secretary of the corporation.
- B. The registered office of the corporation shall be the street address of the person who currently serves as Secretary of the corporation.
- C. A change in the name of the registered agent and/or registered office must be filed with the Corporations Office of the Colorado Department of State when each change occurs. [CRS 7-22-105]

Article V. Members

A. Rights of Members

1. All Members, whether or not in Good Standing, have the right to:
 - a. Attend all Special and Annual Meetings of Members
 - b. Attend Open Meetings of the Board of Directors
 - c. Speak at Meetings, according to the order of business established by the Board of Directors and make motions
 - d. Make suggestions to the Directors/Officers and Committees on general RERA matters, either verbally or in writing
 - e. Propose Committees for purposes allowed by the Articles of Incorporation
 - f. Nominate Members for the Board of Directors or Committees
 - g. Propose Bylaws changes
 - h. Sign a petition to the Board of Directors for a Special Meeting of the Members
 - i. Make suggestions to the Board of Directors and Committees on road maintenance, improvement, and operation
 - j. Suggest guidelines for road use behavior
 - k. Use roads for themselves and invited persons
 - l. Inspect the complete books and records of the RERA at reasonable times
2. Only Members who are in Good Standing have the right to:
 - a. Vote (in person or by proxy) at Meetings of Members
 - b. Serve on the Board of Directors, if duly appointed elected or

B. Responsibilities of Members

1. Pay duly instituted Assessments
2. Read the Association Bylaws and Articles of Incorporation
3. Comply with requirements of the Association and its Bylaws
4. Exercise proper and considerate road use behavior as defined by the Association
5. Not block, obstruct, or disturb the road right-of-way in any improper fashion
6. Notify Association Treasurer of current mailing address

C. Meetings of Members

1. The Board of Directors shall make all arrangements for, and conduct, Meetings of the Members, including holding Association elections, with the President presiding. Meeting procedures will be guided by Robert's Rules of Order at the discretion of the President or when dictated by a majority vote of the membership in good standing present at the meeting.
2. Annual Meeting of Association Members
 - a. The Board shall hold the Annual Meeting of Members on a Saturday in May at a place and time generally convenient for Members, to be determined by the Board. Alternatively, the Annual Meeting may be held in the month of June when approved by a majority vote of the Board.
 - b. The purposes of the Annual Meeting are:
 - c. Presentations by the Directors/Officers and Committees on the status of Association business
 - d. Election of new Directors/Officers
 - e. Discussion of issues brought up by Members or Board Members
 - f. Voting by Members on items of Association interest

- g. If the necessary Quorum is not obtained, the Annual Meeting must be rescheduled to occur within the following thirty (30) days.
3. Special Meetings of the Members
- a. The Board shall conduct Special Meetings of Members when deemed necessary by the Board, or when called for by a petition signed by Qualified Voters. The minimum number of signatures required is equivalent to 20% of the total number of Dues-Paying Entities.
 - b. At Special Meetings, the only matters that shall be considered and voted on are those which have been included in the notification of the Meeting that has been mailed to Members as outlined in Article V, Section C, Number 4 of the Bylaws, and in the published and posted notices of the Meeting. At the close of the business for which the Special Meeting was called, miscellaneous matters may be raised and discussed by the attendees and shall be included in the minutes.
 - c. The location, time and date of the Special Meeting shall be set within, and at a reasonable time by the Board.
4. Meeting Notification
- a. The Secretary shall give notice of time, date, and place of Annual or Special Meetings of Members by:
 - b. Mailing to each Dues-Paying Entity at the last known address written notice of such Meeting not less than ten (10) nor more than fifty (50) days in advance of the date thereof, and
 - c. By posting on public notice board(s) within the Association boundaries a notice of time, date, and place of such Meeting, not less than ten (10) nor more than fifty (50) days prior to the date of such Meeting.
 - d. In the case of a Special Meeting of Members, an announcement shall also be given in both the mailed notice and the posted notice as to the purpose(s) of the Special Meeting.
5. Meeting Participation
- a. All Members may attend and speak in turn at Annual or Special Meetings of the Members.
 - b. The order of business for each Meeting shall be established by the Board.
 - c. Only legal owners In Good Standing, or their Proxies, may vote.
6. Qualification of Voters
- a. One Dues-Paying Entity In Good Standing shall have one vote, regardless of the number of persons listed as Association Property Owners of any particular Parcel.
 - b. Multiple Parcels held by one person, persons, or legal entity shall constitute one (1) Dues-Paying Entity when only one of the held Parcels is at any time an Occupied Property.
 - c. When multiple Parcel ownership allows more than one of the held Parcels to be occupied, then each Occupied Property shall constitute one (1) Dues-Paying Entity.
 - d. Only one Member of a Dues-Paying Entity In Good Standing, or the agent of Proxy, shall be permitted to vote at any one time.
 - e. At the beginning of all Member's Meetings the Credentials Committee shall examine the qualifications of all persons presenting themselves for the purpose of voting, and shall report to the President a complete list of Qualified Voters present in person or by Proxy. Such list shall constitute the voting list of such meeting. In the event of protest as to any portion of such report, or as to any

name which has been excluded from the list or included in the list, such report may be accepted or amended by a majority vote of those Qualified Voters present against whose qualifications no protest is made.

7. Voting

- a. Voting may be executed only at a Meeting of members by those present (in person or by Proxy).
- b. These Bylaws do not allow for Voting By Mail. (If they did, CRS 7A23A106 requires that 2/3 of all Qualified Voters cast an affirmative vote for either proposed plans or Amendments to the Articles of Incorporation for the measure to be adopted.)
- c. If, at any Annual or Special Members Meeting, Special Assessments, changes in Assessments, or amendments to the Organizational Documents are proposed, then the full text of the proposal shall be mailed to each Dues-Paying Entity, in addition to notification of the Meeting, at least ten (10) days in advance.
- d. At any Annual or Special Meeting of Members, a majority of the Qualified Voters present (in person or by Proxy) shall prevail on all subjects except:
 - 1) changes in amount of Assessments
 - 2) levying Special Assessments
 - 3) amendments to the Articles of Incorporation CRS 7A21A107
- e. All items listed in 1) through 3) above (Article V, Section C, Number 7,d) shall be authorized if 2/3 of the Qualified Voters of the Association present (in person or by Proxy) at an Annual or Special Meeting of the Members vote in the affirmative.
- f. Voting at Annual or Special Meetings shall be by paper Ballot method, unless Members who are present unanimously agree that a show of hands is sufficient. Paper Ballots shall be handed out to Members certified to vote by the Credentials Committee.

8. Quorum

- a. The presence (in person or by Proxy) of Members representing thirty (30) Dues-Paying Entities qualified to vote shall constitute the required Quorum for Annual or Special Meetings of Members.

9. Proxies, Voting by Agents

- a. At any Meeting of the Association, voting by Proxy shall be permitted if the Proxy is executed by a Qualified Voter of the Association, witnessed by some reasonable person, and given to an agent or any Member of the Association.
- b. Proxies shall be valid for one Meeting only or the adjournment thereof.
- c. Those Members not able to be present at a Meeting at which voting may occur, may execute a general or specific Proxy.

Article VI. Board of Directors and Officers

A. Number of Directors/Officers

1. The Board of Directors shall consist of six (6) Members.
2. Each Director shall be elected to function as a specific Officer of the Association.

B. Terms of Office of Directors/Officers

1. Each elected Board Member shall serve for two years (one term) and relinquish office at the first Board meeting following the meeting at which his/her successor is duly elected. This Board meeting to be held within two weeks of the election.
2. No Member may serve more than two (2) consecutive terms as a particular Officer

unless there is no other candidate available for that Office, or unless a Quorum at any Annual or Special Meeting is unable to be secured. In such cases, the current elected Director/Officer(s) shall continue to hold their respective Office(s), retaining all the powers and duties of the Office, until such time as either a candidate becomes available for election at a regularly scheduled election, or until a Quorum can be secured and their successors duly elected.

3. Three Directors/Officers will be up for election in odd-numbered years. These are President, Treasurer, and Assistant Road Manager.
4. Three Directors/Officers will be up for election in even-numbered years. These are Secretary, Assistant Treasurer, and Road Manager.
5. At least five of the six Directors/Officers shall be year-round Residents on their RERA property.

C. Election of Directors/Officers

1. The candidate for a specific Office must receive the largest number of votes cast by the Qualified Voters of the Association who are present (in person or by Proxy) at an Annual or Special Meeting at which elections occur.
2. Voting shall follow the procedure set forth in Article V, Section C, Numbers 6, 7, 8, and 9.

D. Qualifications of Candidates for Directors/Officers

1. Any RERA Member age 18 or older and In Good Standing shall be eligible for Office.

2. Powers and Duties of the Board of Directors

E. Powers and Duties of the Board of Directors

1. Read the Association Bylaws and Articles of Incorporation.
2. Speak for the Association within the limits defined by the Association Articles of Incorporation and Bylaws.
3. Transact, or delegate for transaction, all business of the Association.
4. Request bids, as appropriate, for contractor work.
5. Enter into contracts, as appropriate.
6. See that the policies of the Association are followed.
7. Do all acts necessary to carry out road maintenance, operation and improvement.
8. Collect all Assessments.
9. Obtain and maintain Association insurance policies.
10. Establish and maintain bank account(s).
11. Establish and maintain accurate books and records and make them available to Members for their review
12. Obtain annual Audit of the financial records of the Association. This Audit will be conducted by a Temporary Audit Committee described in Article VII Section C. If such a Committee cannot be formed, such professional assistance as approved by a majority vote of the entire Board will be obtained.
13. Prepare and present an annual report and budget.
14. Hold Board Meetings to discuss Association business.
15. Arrange for and conduct all Association Meetings, except Committee Meetings.
16. Establish Temporary Committees and monitor all Committees.
17. Declare vacancies on the Board of Directors and appoint temporary replacements.
18. Declare and fill vacancies on Committees.
19. Advise Members of road use behavior.
20. Adopt rules and regulations necessary to carry out duties.

21. Execute the general powers of corporations, as set forth in CRS 7A22A101, except as amended by the Bylaws.
 22. Honor all prior agreements and commitments made by past Boards of Directors, unless said agreement/commitment is changed according to established procedure.
 23. Employ assistance, as appropriate.
 24. Conduct the business of the Association within the limits and constraints of the Association budget.
 25. Approve the placing of liens on properties within Association boundaries in cases of delinquent Assessment payments, according to established procedure.
 26. Provide a long-range plan for the Association roads, and report annually on the status thereof.
 27. Select principal place of business of the Association, within or near Association boundaries.
 28. File all required reports with the Colorado Secretary of State and the United States Internal Revenue Service.
- F. Specific Powers and Duties of the Officers of the Association
1. President
 - a. Shall preside at and conduct all Meetings of the Board and of the Landowners within the Association.
 - b. Shall notify Board Members of Special Board Meetings
 - c. Shall sign, with the Secretary, for the Board and the Association, all contracts, agreements, or other papers necessary to conduct the affairs of the Association, when duly authorized to do so by the Board.
 - d. Shall have such other duties and powers as usually devolve upon the executive officer of a corporation.
 - e. Shall sign, with the Treasurer, all vouchers, warrants, checks or other instruments for disbursement of funds of the Association.
 - f. Shall guide the Association in fulfilling its responsibilities.
 - g. Shall loan out the photocopied Association records to Members for their review.
 2. Secretary
 - a. Shall be the custodian of all original copies of non-finance papers, documents, and records of the Association and the board, and make them available to all Members for inspection at reasonable times.
 - b. Shall keep minutes of all Meetings of Association Members and the Board, and make them available for inspection by any Member at reasonable times.
 - c. Shall present written minutes of Board Meetings for review and approval by Board at subsequent Meetings.
 - d. Shall make a photocopy of all non-finance papers, documents, and records of the Association and give to the President for safekeeping and review by Members.
 - e. Shall make sure that all Board Members have opportunity to see all Association correspondence and documents as they are generated or received.
 - f. Shall make sure that all papers of the Association are placed in the files.
 - g. Shall inform the Colorado Secretary of State of a change in the name and/or address of the corporation's registered agent and office.
 - h. Shall attest the signature of the President to all contracts, agreements, and other papers necessary to the conduct of the Association, except for disbursement of funds.

- i. Shall give notice of such Regular or Special meetings of Members by mailing to each Dues-Paying Entity at the last known address written notice of such Meeting and by posting on public notice board(s) within the Association boundaries a notice of the time, date, place, and purpose of such Meeting.
 - j. Shall notify Board Members of scheduled Board Meetings in writing or by telephone or personal message.
 - k. Shall supply copies of the Association's Articles of Incorporation and Bylaws to all Board Members.
 - l. Shall sign checks on an emergency basis when the President or Treasurer is absent.
 - m. Shall make certain that the Corporate Report to the State of Colorado is fulfilled every other year, or as required by the State.
3. Treasurer
- a. Shall be custodian of the funds of the Association and shall at all times be charged with their safekeeping.
 - b. Shall furnish bond in such amount, and with such conditions as shall be required by the Board, and the cost of such bond shall be borne by the Association.
 - c. Shall affix his/her signature, with that of the President, to all vouchers, warrants, checks or other instruments for the disbursement of funds of the Association.
 - d. Shall keep at all times an accurate and complete record of the financial transactions of the Association and of the funds remaining in his/her hands. Such record shall be available for inspection by any Member at reasonable times.
 - e. Shall bill Members for Assessments due, notify Members of bounced checks or non-payment and consequent lack of Good Standing, send reminders of Assessments due, collect Assessments due, and place liens, at the direction of the board, on Parcels of Members overdue in payment of Assessments.
 - f. Shall prepare a detailed annual financial report to be presented at the Annual Meeting, and to be included in the newsletter mailed to Members 30 days after the Annual Meeting.
 - g. Shall prepare and file all appropriate tax forms.
 - h. Shall photocopy all financial records and give to the President for safekeeping and review by Members.
 - i. Shall maintain current records of membership and send out Certificates of Membership.
 - j. Shall substitute for the President at Meetings, as necessary.
 - k. Shall see that the signature cards for the Association bank account are updated each year in the names of the current President, Secretary and Treasurer.
 - l. Shall write each local title company when the new Treasurer is elected to inform them of the Treasurer's name and business-hour telephone number.
 - m. Shall, with the President, review all bills pertaining to road maintenance, operation and improvement, and approve them, if acceptable, for payment.
 - n. Shall be custodian of Association maps of properties and roads, and keep them current, with the assistance of the Assistant Road Manager.
 - o. Shall collect certificates of insurance from all contractors.
 - p. Shall mail Certificate of Membership and current copies of the Organizational Documents to new owners of Parcels within Association.
 - q. Shall maintain the Association post office box.
 - r. Shall mail "welcome" information to new property owners.

- s. Shall obtain completed W-9 forms from independent contractors prior to jobs being started.
 - t. Shall obtain signed copy of Casual Labor Agreement prior to any remunerated work by Association Members.
 - u. Shall inform title companies of current status of Association payments on property sales and obtain copies of warranty deeds when properties are sold.
 - v. Coordinate efforts with the Assistant Treasurer and assign some responsibilities to the Assistant Treasurer.
4. Assistant Treasurer
- a. Shall assist the Treasurer in his/her duties such as: make deposits, write checks, balance bank statements, reply to inquiries from title companies and real estate companies, and help file tax forms and corporate reports.
 - b. Shall furnish bond in such amount, and with such conditions as shall be required by the Board. The cost of such bond shall be borne by the association.
 - c. Shall substitute for the Treasurer when he/she is unavailable.
5. Road Manager
- a. Shall be in charge of carrying out the directions of the Board concerning road improvements, maintenance, operation or other activities recommended by the Board.
 - b. Shall prepare an annual road report and budget for road maintenance and associated road work, in cooperation with the other Board Members, to be completed within 60 days from the Annual Meeting.
 - c. Shall establish and maintain long-range planning for road work and inform Members in newsletters.
 - d. Shall assign some responsibilities to the Assistant Road Manager.
 - e. Shall review, sign and date bills pertaining to road maintenance, operation, and improvement and forward them to the President and Treasurer for review and approval and shall sign checks for disbursement of funds specifically for payment of road maintenance, operations, and improvement.
6. Assistant Road Manager
- a. Shall substitute for the Road Manager when he/she is unavailable.
 - b. Shall complete all duties and tasks assigned by Road Manager or Board.
 - c. Shall assist the Treasurer in keeping current the Association maps of roads and properties.
 - d. Shall review, sign and date bills pertaining to road maintenance, operation, and improvement and forward them to the President and Treasurer for review and approval in the absence of the Road Manager.
- G. Meetings of the Board
1. Regular Board Meetings
- a. Regular Meetings of the Board shall be held at least once each three (3) months at the principal place of business of the Association. These Meetings shall be open to all Members of the Association, and a complete and accurate written record of the Meetings shall be kept by the Secretary. The President presides at these Meetings.
 - b. At each Regular Board Meeting, the Board Members present shall fix the day and hour of the next Regular Meeting.
 - c. The Secretary shall notify each Board member of Regular Board Meetings in writing, or by telephone, or personal message, not less than three (3) days before the date of such Meeting.

- d. The Secretary shall post a notice of each Regular Board Meeting on the Association bulletin board at least ten (10) days prior to the date of such Meeting.
 - e. Any Association Member may attend any Regular Board Meeting and participate in such Meeting at the discretion of the Board.
 - f. Minutes of the prior Board Meeting shall be presented, amended (if necessary) and approved by the Board. Verbal objections may be made by non-Board Member attendees of subject meeting. Written objections to any minutes shall be circulated at the meeting at which they are presented and filed in Association records with the referenced minutes.
2. Special Board Meetings
 - a. Special Meetings of the Board may be called at any time by the President, or by any three Board Members, on one (1) hour's notice in writing or by telephone or personal message. An attempt shall be made to contact all Board Members.
 - b. Special Meetings of the Board may be held in closed session at the discretion of the Board. Votes taken at such closed meetings may be reported by numbers only, and not by roll call.
 - c. Minutes of Special Board Meetings shall describe the general purpose and outcome of the Meeting, and shall be placed in Association records.
 3. Quorum
 - a. The presence of four Board Members shall be necessary to constitute a Quorum for Meetings of the Board.
 4. Voting
 - a. A majority of Board Members present shall prevail, except that in any Meeting for the purpose of preparing and certifying a budget, or obtaining professional assistance with the Annual Audit, a majority of the entire Board shall approve such action.
 - b. Voting at Regular Board Meetings shall take place by roll call.
 - c. Each Board Member shall abstain from voting on issues in which he/she determines he/she has a personal conflict.
 5. Rules of Procedure
 - a. All Board Meetings shall follow Roberts' Rules of Order, at the discretion of the President.
- H. Vacancies on the Board
1. The Board must declare vacancies to the Members by a mailed notice.
 2. Vacancies shall be filled by appointment by the Board from those Members In Good Standing.
 3. Those appointed shall hold office until the next regular election, at which time their office shall come before the Members for election to fulfill the unexpired term.
- Serving a partial term, if more than one year, shall constitute one term of office.
- In case of a vacancy in the office of Road Manager, the Assistant Road Manager shall become Road Manager, and the Board shall appoint a Member In Good Standing to temporarily serve as Assistant Road Manager until the next regular election.
- I. Removal of Board Members
1. Any Member of the Board of Directors may be removed from office by a majority vote of the Qualified Voters of the Association who are present (in person or by proxy) at any Regular or Special Meeting of the Association.
 2. Any Officer of the Board of Directors may be removed from such office at any time by a majority of all the Board Members.

J. Employment of Assistance and Budget Restraints

- 1. The Board shall have the power to employ such legal, technical, or other assistance as may be necessary to the conduct of the affairs of the Association.**
- 2. In no event shall the Board obligate the Association beyond the amount of its available funds or reasonable revenue expectancy.**

Article VII. Committees

A. Committees shall have certain responsibilities in accordance with the purposes and scope of authority described within these Bylaws and the Articles of Incorporation. These committees shall exist to assist the Board in managing the affairs of the Association.

B. Formation and General Organization of Committees

- 1. A Committee may be established by a majority vote of the Board or the Board shall establish a Committee when required to by a majority vote of the Association Members present (in person or by Proxy) at a Members' Meeting.**
- 2. The Committee purpose shall be stated at the time of the establishment of the Committee. A Committee may be formed to study an issue of particular interest to the Association within the purposes allowed by the Articles of Incorporation. The Committee shall:
 - a. Solicit Members' opinions concerning the issue the Committee is studying**
 - b. Collect information on the issue**
 - c. Create Committee report(s) on the issue**
 - d. Present Committee report(s) to the Board or Association Membership as stated at the formation of the Committee.**
 - e. If the issue requires a vote by the Members, request that a Members' Meeting be scheduled to allow discussion of the issue prior to a vote of the Members.****
- 3. Committee Members shall be appointed by the Board or elected by the Association Members at a Members Meeting.**
- 4. Committees shall consist of at least three (3) Members In Good Standing.**
- 5. Committee Members shall serve for a term of no more than two years, and may serve no more than two consecutive terms, unless no other Member is available to serve on that Committee. In such case, the Committee Member shall continue to serve until such time as a replacement can be obtained.**
- 6. The Committee Chairperson shall be chosen by the Committee Members.**
- 7. Duties of Chairpersons
 - a. Preside over all Committee Meetings.**
 - b. Set goals and agenda for each meeting.**
 - c. Prepare minutes of Committee Meetings, and prepare financial reports of Committee expenses.**
 - d. Present written minutes to the Board of Directors.**
 - e. Maintain Committee files.**
 - f. Send financial reports and receipts to the Board, and send copies of Committee records to the Association Secretary.**
 - g. Attend Regular or Special Open Board Meetings as necessary. The Committee Chair will be notified in the same fashion as Board Members of any Board Meeting at which the committee topic will be discussed.**
 - h. Ensure that the Committee fulfills its purpose.****

8. Requests for funding needs shall be submitted to the Board for approval.
- C. Annual Financial Review Committee and Credentials Committee
1. Annually, a Financial Review Committee consisting of either the Assistant Road Manager or Secretary and two non-Board Members appointed by majority vote of the entire Board shall be assembled for the purpose of reviewing Association financial records and practices. It is desirable that at least one of the Committee members must be knowledgeable of generally accepted accounting practices.
 2. Prior to each vote of the Association Membership a Credentials Committee shall be established to fulfill the requirements of Article V, Section C, Number 6, e of these Bylaws. This Committee shall consist of the Association Treasurer, Assistant Treasurer, and any interested Qualified Voter of the Association.
- D. Dissolution of Committees
1. All Committees shall be dissolved upon fulfillment of their purpose.
 2. At each Annual Meeting the need and existence of each Committee, other than the Audit and Credentials Committees, must be reaffirmed by a majority vote of the Qualified Voters of the Association present (in person or by proxy). If such affirmation is not obtained for a Committee that Committee shall be immediately dissolved.
 3. A Committee may be dissolved or affirmed at a Special Meeting of the Members called for that purpose.

Article VIII. Assessments and Financial Procedures

- A. If a person, persons, or legal entity owns only one Parcel within the boundaries of the RERA, the Association requires the Landowner(s) to pay one Annual Assessment each year. If a person, persons or legal entity owns more than one Parcel, the Association requires the Landowner(s) to pay an Annual Assessment for each Occupied Property. If a previously unoccupied property becomes an Occupied Property, then the Landowner(s) shall become liable for the Annual Assessment on that Parcel.
- B. Property Owners in the Association shall also be liable for Special Assessments when they are duly instituted. Only one Special Assessment shall be required of each Dues-Paying Entity for each Special Assessment approved by the Members.
- C. Property Owners shall be liable for all late charges if charged according to established procedure.
- D. Any Member of the Association, or Board Member, may propose a change in the amount of any Assessment.
- E. Any Annual or Special Assessment change may be proposed at a Regular Meeting of the Members or the Board, or may be proposed in writing to the Board. If the Board is unwilling to put the proposal before the Members for a vote, then the procedure for obtaining a petitioned Special Members Meeting may be followed.
- F. Notification of all proposed Special Assessments and changes in Assessments shall be mailed to all Dues-Paying Entities according to the procedure in Article V, Section C, Number 4, a and b. All Special Assessments and changes in Assessments shall be approved if 2/3 of the Qualified Voters of the Association present (in person or by Proxy) at a Members' Meeting vote in the affirmative.
- G. Any Assessment, fine, charge, fee, or penalty provided for in these Bylaws, which is not fully paid within 45 days after the date due shall be subject to a late fee pursuant to the Association's governing documents as may be set from time to time by the Board of Directors. In addition, the Board of Directors may assess a late charge thereon. Any Owner who fails to pay any Assessment, fine, charge, interest, late charge, fee, or penalty

of the Association shall also be obligated to pay to the Association all costs and expenses incurred by the Association, including reasonable attorneys' fees, in collecting the delinquent amount, whether or not suit is filed. The total amount due to the Association, including unpaid Assessments, fines, fees, charges, penalties, interest, late payment charges, costs and attorneys' fees shall constitute a continuing lien on the defaulting Owner's Lot, which lien shall have such priority, rights and characteristics as provided by Colorado law. The Association may bring an action, at law or in equity, or both, against any Owner personally obligated to pay any amount due to the Association and may also proceed to foreclose its lien against such Owner's Lot. An action at law or in equity by the Association against a delinquent Owner to recover a money judgment for unpaid amounts due to the Association may be commenced and pursued by the Association without foreclosing or in any way waiving the Association's lien. Foreclosure or attempted foreclosure of the Association's lien shall not be deemed to estop or otherwise preclude the Association from thereafter again foreclosing or attempting to foreclose its lien for any subsequent amount due to the Association.

Article IX. Dispute Resolution

- A. Purpose: For any and all disputes between a Member(s) and the Association that remain unresolved through usual course of business and communication (hereafter referred to as a claim), the Member(s) will make use of mediation and/or arbitration as an alternative and mandatory precondition to the filing of a legal complaint (i.e., lawsuit) against the Association.
- B. Process: The process to address the steps for dispute resolution includes use of written documentation, internal meetings, mediation, and arbitration.
 - 1. Written Documentation: The Member(s) bringing the complaint will provide to the Association Board Members or other relevant parties written documentation of the nature of the dispute, legal or contractual basis related to the dispute, and potential resolution of such issue.
 - 2. Good Faith Negotiation Meeting(s): The opposing parties will agree to a meeting at an agreed upon date and time at the designated Association place of business (within 30 days of receipt of the written complaint, unless a delay is agreed to by both parties) to attempt to resolve the dispute. If the issue is not resolved at the initial meeting, one additional meeting will take place within 30 days of the initial meeting, to allow for a second attempt to resolve the issue. Specific to disputes between Board Members, a closed board meeting may be employed for this second good faith negotiation meeting (does not apply to disputes between general members and the Association).
 - 3. Mediation: If the issue is still not resolved internally between the parties, the party bringing the complaint has the option to submit a claim to an independent mediation service mutually agreeable to both parties. The member(s) must submit the claim within 30 days of the second good faith negotiation meeting; otherwise the claim is waived. If the claim is not resolved through mediation after 45 days, the mediation will be terminated.
 - 4. Arbitration: If the issue is still not resolved after this period of mediation, the member(s) bringing the complaint has the option to submit a claim for arbitration. The member(s) must submit a claim within 15 days of the mediation termination date; otherwise the claim is waived.
- C. Costs: Parties are encouraged to resolve disputes internally without cost to Members or the Association, meaning prior to the need for or involvement from public or private mediation or arbitration resources. If this is not possible, costs will be borne by the party

bringing the complaint, until such time it is determined by mediation or arbitration that the Association shall share in the costs.

- D. **Binding Decision:** When the matter goes to mediation and/or arbitration and a resolution/settlement is reached, it shall be final and binding upon the parties. If the resolution/settlement is not complied with by one party, the opposing party may take further legal action.
- E. **Exclusive Remedy:** The provisions in this Dispute Resolution Process shall be the sole and exclusive remedy for claims brought forward. Any Party who brings litigation in violation of this defined process shall reimburse the costs and expenses incurred by the defending party seeking dismissal of such litigation.

Article X. Amendments to the Organizational Documents

- A. The Organizational Documents include the Articles of Incorporation and the Bylaws.
- B. All Dues-Paying Entities shall be notified of all proposed amendments in accordance with Member Meeting notification procedure in Article V, Section C, Number 4, a and b.
- C. Amendments to the Articles of Incorporation.
 - 1. The procedure for amending the Articles of Incorporation is stated in CRS 7-21-107, and is as follows: A majority of the board of Directors may adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a Members' Meeting. The proposed amendment shall also be submitted to a Member's vote whenever a petition for such a resolution, signed by Qualified Voters in a number equivalent to at least 20% of the total of Dues-Paying Entities is presented to the Board. After proper notification (Article V, Section C, Number 4), the proposed amendment shall be adopted upon receiving at least a 2/3 vote from the Qualified Voters present (in person or by Proxy) at a Members' Meeting.
- D. Amendments to the Bylaws.
 - 1. A majority of the Board of Directors may adopt a resolution setting forth the proposed amendment, as permitted in Article IX, Section D, Number 3a below, and directing that it be submitted to a vote at a Members' Meeting. A proposed amendment shall also be submitted to a Member's vote whenever a petition for such a resolution, signed by Qualified Voters in a number equivalent to at least 20% of the total of Dues-Paying Entities is presented to the Board.
 - 2. After proper notification (Article V, Section C, Number 4) Amendments to the Bylaws shall be approved if a majority of the Qualified Voters of the Association present (in person or by Proxy) at an Annual or Special meeting of Members, vote in the affirmative.
 - 3. Temporary Amendments to the Bylaws.
 - a. In the interim between Annual or Special Meetings of the Members of the Association, the Board shall have the power to amend these Bylaws except as to changes in the procedures for: instituting Assessments, amending the Organizational Documents, calling Special Meetings of Members.
 - c. Any such temporary amendments shall be in force for no more than ninety (90) days, at which time they shall be presented to the Members for a vote, as in Article X, Section D, Number 2 above.

**History of Bylaws Adoption, Amendment, and Digitizing
(as best it could be established as of July 21, 2018)**

Adopted December 10, 1994

Amended June 22, 1996 (amendments not incorporated until 2018 – incorporation approved by
vote of membership July 21, 2018)

Amended on June 13, 1998

Amended on June 10, 2000

Amended on June 5, 2005;

Digitized April 21, 2006

Amended April 14, 2012 (amendments not incorporated until 2018 – incorporation approved by
vote of membership July 21, 2018)

Amended June 13, 2015

Amended June 2, 2018

Amended July 21, 2018