

**BYLAWS**

**OF**

**EATON PAGOSA ESTATES PROPERTY OWNERS ASSOCIATION (Rev. 1)**

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**ARTICLE I**  
**PURPOSE**

The Eaton Pagosa Estates Property Owners Association, Inc. shall have as its purpose the promotion and enhancement of the community welfare of its members. It shall have such powers as are set forth in its Articles of Incorporation and which are granted to it by law. It shall have the power to acquire, own, operate and maintain property of all kinds or classifications, whether by purchases or by gift, and, it shall do whatever is necessary, appropriate or incidental to the accomplishment of its purposes or powers, subject to any limitations in its Articles of Incorporation, these Bylaws or the recorded Declaration of Protective Covenants for the Eaton Pagosa Estates Subdivision, as may be amended from time to time.

**ARTICLE II**  
**DEFINITIONS**

The following terms used in these Bylaws are defined as follows:

- (1) Association - The Eaton Pagosa Estates Property Owners Association, Inc., a Colorado non-profit corporation or any successor thereof, charged with the duties and obligations set forth herein.
- (2) Board - The Board of Directors of the Association duly elected and acting according to the Articles of Incorporation and Bylaws of the Association.
- (3) Developer - Means Eaton Pagosa Properties, Inc.
- (4) Declaration - Means the Declaration of Protective Covenants for the Eaton Pagosa Estates Subdivision as the same may be supplemented or amended from time to time.
- (5) Subdivision - Means the Eaton Pagosa Estates Subdivision.
- (6) Lot - Means a Lot as shown on the Plat of Eaton Pagosa Estates Subdivision and any amended or subsequent plats, but shall not include Common Areas.
- (7) Owner - Means the Record Owner, whether one or more persons or entities, of fee simple title to any Lot. Notwithstanding the foregoing, where a person or legal entity who, as purchaser, has entered into a contract for deed to a Lot, which contract provides that the purchaser obtains possession and the rights and responsibilities of ownership, but

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that the deed will be delivered to the purchaser only after the purchaser meets certain conditions, such as payment of the full purchase price, the purchaser shall be deemed to be the owner and the seller under said contract shall cease to be the owner while said agreement is in effect.

(8) Plat - Means any plat of Eaton Pagosa Estates Subdivision and all subsequent plats as filed in the records of Archuleta County, Colorado, which are subject to the Declaration, and as the same may be amended, enlarged or revised from time to time and affecting the Property.

**ARTICLE III**  
**MEMBERSHIP**

Section 1. Members - Each Owner shall be a member of the Association. No Owner, whether one or more persons or entities, shall have more than one membership per Lot owned by Such Owner, but all persons owning each Lot shall be entitled to the rights of membership and the use and enjoyment appurtenant to the ownership of each lot.

Section 2. Application to Non-Members - The following persons, if not otherwise a member, shall still be subject to such conditions, rules and regulations of the Association and shall be eligible for the Privileges and Duties of Members, as established in Section 3 hereto, subject to the conditions imposed by the Board of Directors, as established in Section 4 hereto.

- (a) The spouse and children under 18 years of age of an Owner who have the same principal residence as the Owner.
- (b) Persons who are tenants or regular occupants of residences constructed on any Lot subject to any tenancy that conforms to the Declaration.
- (c) Persons who, by virtue of specific written agreement with the Association, shall be entitled to any privileges or duties otherwise reserved to Owners.

Section 3. Privileges and Duties of Members -

- (a) Use of Facilities - Members shall have the right to use the facilities owned or operated by the Association. The use thereof shall be subject to such rules and regulations and charges which may be established by the Board or by the owner or operator of such facility.
- (b) Duty to Pay Assessments - Each member shall pay the Association the regular assessments or charges, any special assessments or charges, and any default assessment or charges, all of which shall be fixed, established and collected by the Board of Directors as provided in the Declarations. Such sums or any other sums which may be established under these Bylaws shall become a lien as provided in

the Declaration and be collectible in accordance therewith. No charge or assessments shall ever be made against, or be payable by, the Association, or the owners of the utilities serving the Association.

(c) Suspension of Privileges of Membership - The Board may suspend the voting privileges (if any) of a member and the rights of any member or non-member to use properties owned or controlled by the Association for the following causes:

(1) Non-payment of the charges or assessments levied by the Association.

(2) Continuing violation of the provisions of the Declaration, after the existence of the violation has been brought to the attention of the member in writing by the Board, and the member has had a reasonable opportunity to respond to the claimed violation.

Section 4. Privileges and Duties of Non-Members – Non-members granted privileges and/or duties of members as set forth in Article III, Section 3 hereto may be subject to such charges or fees as the Board from time to time may by resolution establish. Non-members are subject to the rules and regulations affecting the member with whom the non-member is associated. Non-members shall have no voting rights in the Association.

#### **ARTICLE IV** **VOTING**

Section 1. Each Lot shall be entitled to one (1) vote in the Association.

Section 2. The one (1) vote for each Lot shall be exercised by the Owner and when more than one person or entity holds an interest in a Lot, the vote for the Lot shall be exercised as the Owners may determine among themselves, but a vote for the Lot shall be cast by only one person.

#### **ARTICLE V** **EVIDENCE OF MEMBERSHIP AND TRANSFER**

Section 1. Membership Certificates - Certificates of Membership in the Association may be issued to members and non-members as defined in Article III, Section 2. Such certificates shall be in such form as the Board shall from time to time designate. Such certificates shall indicate the Lot, the ownership of which gives rise to the membership. Such certificate shall also clearly state on its face that the Association is a non-profit corporation. Adequate records shall be maintained by the Association showing the names of the members and the date thereof.

Section 2. Transfer - When a member ceases to be an Owner, such person's membership, and those non-member privileges and duties existing through relationships to such person, shall cease, but such person shall remain liable for all charges by the

Association incurred prior to the giving of written notice to the Association that such person is no longer an Owner.

## **ARTICLE VI** **MEETINGS OF MEMBERS**

Section 1. Place of Meetings - Meetings of the members of the Association must be held in Pagosa Springs, Colorado, except pursuant to a bylaw or resolution adopted by the Board of Directors.

Section 2. Procedure for Calling a Meeting - Meetings of the members of the Association shall be held annually, and at such other times, as the Board may designate. Written notice of the place, date, and hour of the meetings and designating the purpose or purposes for which the meeting has been called shall be delivered not less than 10 days or more than 50 days before the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the person/persons entitled to such notice, as their names appear in the records of the Association with postage prepaid. The Association shall provide notice of all regular and special meetings of members by electronic mail to all members who so request and who furnish the association with their electronic mail addresses.

Section 3. Quorum - A quorum at a meeting of the Association shall be twenty percent (20%) of the persons entitled to vote by attendance or by proxy. A vote of a majority of the votes entitled to be cast at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon, unless a greater proportion is required by law, the Declaration, or these Bylaws.

Section 4. Proxies - Any member may at any time nominate and appoint any person or persons of lawful age, with or without the right of substitution, as the member's attorney-in-fact and agent in the member's name, place and stead, to vote as the member's proxy at any meeting of the members of the Association, and such person named as proxy shall have all of the powers and privileges that the member would have if present in person. Such appointment of proxy shall be valid for a period of time as specified in the proxy but in no case is the proxy to be valid in excess of eleven (11) calendar months immediately following the date of execution unless the proxy says otherwise. To be entitled to vote such persons appointed as attorneys-in-fact and agents of any member to vote as the member's proxy, or such person's substitute, shall be present at the meeting for which said person is appointed. All substitutions shall be in writing. A telegram, telefax, or other electronic transmission which is reduced to writing and delivered to the Association shall be considered as being "in writing" under the provisions of this Section.

Section 5. Action without Meeting. Any action required or permitted by these Bylaws or by law to be taken at a members' meeting may be taken without a meeting if members entitled to vote thereon unanimously agree and consent to such action in writing.

Section 6. Meetings by Telecommunication. Any or all of the members may participate in an annual, regular, or special meeting of the members by, or the meeting may be conducted through the use of, any means of communication by which all persons participating in the meeting may hear each other during the meeting. A member participating in a meeting by this means is deemed to be present in person at the meeting.

Section 7. Action by Written Ballot. Any action that may be taken at any annual, regular, or special meeting of members may be taken without a meeting if the Association delivers a written ballot to every member entitled to vote on the matter. A written ballot shall state each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approve each matter other than election of Directors; state the time by which a ballot must be received by the Association in order to be counted; and be accompanied by written information sufficient to permit each person casting such ballot to reach an informed decision on the matter. A written ballot may not be revoked. Action taken under this section has the same effect as action taken at a meeting of members and may be described as such in any document.”

**ARTICLE VII**  
**BOARD OF DIRECTORS**

Section 1. Powers and Duties - The Board of Directors shall:

- (a) Manage and control the affairs of the Association.
- (b) Designate a banking institution as the depository for the Association's funds, and the officer or officers authorized to make withdrawals therefrom and to execute obligations on behalf of the Association.
- (c) Perform other acts the authority for which has been granted in these Bylaws or by law, including the borrowing of money for Association purposes. A resolution by the Board that the interest of the Association requires the borrowing of money shall be sufficient evidence for any person that the borrowing is for a proper corporate purpose. The Association may, if it determines that the same shall be reasonably necessary, assign, pledge, mortgage or encumber any Association property as security for such borrowing, and may pledge or assign future revenues of the Association as security therefor.
- (d) Adopt such rules and regulations relating to the use of Association property,

and sanctions for non-compliance therewith as it may deem reasonably necessary for the best interests of the Association and its members. The Board may also establish and levy reasonable fees for the review of applications, plans, plat plans and other documents relating to the erecting or placing of improvements upon any Lot, and also for the issuance of permits for the use of Association property.

(e) Cause the Association to employ sufficient personnel to adequately perform the responsibilities of the Association to its members.

(f) Adopt reasonable rules of order for the conduct of meetings of the Association, except that on procedural questions upon which no rules have been adopted, the ruling of the Chairman of the meeting shall be final.

(g) Officers of the Association. The Board shall select a president, a vice-president, a secretary and a treasurer. No officer except the president need be a member of the Board, but a vice-president who is not a director shall not succeed to nor fill the office of president.

(h) Committees of the Association. The Board may establish committees of the Association and appoint the members thereof. It may assign to such committees responsibilities and duties not inconsistent with the provisions of the Bylaws or with law as it may deem appropriate.

(i) Architectural Review Committee. The Board shall appoint an Architectural Review Committee which shall consist of 3 - 5 members. The committee shall have all rights, duties, powers and authority granted to it under the Declaration and such other powers and duties as the Board may designate.

(j) In order to facilitate the business of the Association and to further the interest of its members, the Board may enter into agreements with the Developer relating to the orderly transfer of properties from the Developer to the Association. Such agreements may contain such provisions as the Directors may in their judgment feel are appropriate and in the best interest of the Association and its members. However, the existence of such agreements and the provisions and terms thereof shall be made known to the general membership in such manner as may be deemed appropriate by the Board.

(k) The Board shall annually adopt an operating budget for the Association. In so doing the Board shall take into consideration all sources of income that the Association may have. It shall then levy the annual regular assessment for the following year, except no regular assessment shall be levied until the proposed budget for the year shall be presented to and approved by the members at the annual meeting of the membership.

(l) The Board of Directors shall also have the power to levy special assessments and default assessments. However, any such special assessment that exceeds

\$250.00 in an aggregate amount shall be subject to approval by a majority of the members of the Association either through a vote at a regular or special meeting of the membership or by written approval by a majority of the membership.

Section 2. Number - The number of Directors shall be five (5). A majority of the Directors must be members of the Association.

Section 3. Selection and Term - Directors shall be elected for two (2) year terms at the annual meeting of the Association. Three (3) Directors shall be elected at each odd year meeting, and two (2) Directors shall be elected at each even year meeting. Directors cannot be elected who are related to other Directors, nor can Directors be elected who are co-owners with other Directors on the same lot. The term year for a Director shall be from annual meeting to annual meeting. In the event of a vacancy on the Board as a result of the death, resignation or incapacity of a director or for any other reason, the remaining directors may fill the vacancy. If the vacancy is to be filled, then the remaining Directors may select a person to complete the term of the vacant Director position or it can be filled by conducting a Special Meeting of the Membership. Directors may be elected for succeeding terms. In the event there are no remaining Directors, the members of the Board of Directors shall be elected by the members of the Association at a Special Meeting called for that purpose.

Section 4. Voting - All votes of the Board of Directors shall be by majority vote.

**ARTICLE VIII**  
**THE OFFICERS**

Section 1. Officers - The officers of the Associations shall be the President, a Vice-President, a Secretary, and a Treasurer. Officers shall serve at the will of the Board. Except for the President, officers do not need to be Directors.

Section 2. President - The President shall be the general managerial office of the Association, except as may be otherwise determined by the Board, and shall be vested with the powers and duties generally incident to the office of President of a non-profit corporation, except as otherwise determined by the Board or as may be otherwise set forth in these Bylaws.

Section 3. Vice-President - In the absence of the President, or in the event of the President's inability or refusal to act, the Vice-President has the power to act and shall thereupon be vested with the powers and duties of the President.

Section 4. Secretary - The Secretary of the Association shall keep the minutes of the business and other matters transacted at the meetings of the members and of the Board. The Secretary shall mail, or cause to be mailed, all notices required under the Bylaws. The Secretary shall have custody of the corporate records and maintain a list of the members and their addresses and perform all other duties incident to the office of Secretary.

Section 5. Treasurer - The Treasurer shall have custody of the funds of the Association, collect monies due, pay obligations of the Association out of its funds, and perform such other duties as are incident to the office of Treasurer. The Board may require that the Treasurer be bonded for such amount and under such conditions as the Board may require.

Section 6. Removal of Officer - Any officer may be removed when, in the judgment of the Board, the best interest of the Association will be served by such removal.

Section 7. The officers may not delegate any of their powers to any other person.

**ARTICLE IX**  
**AMENDMENT OF ARTICLES OF INCORPORATION, BYLAWS AND  
DECLARATION**

Section 1. The Articles of Incorporation and the Bylaws of the Association may be extended, modified or amended by a two-thirds vote of the members of the Association present at a meeting called for such purpose. Any proposed change in the Bylaws must first be submitted to the Board of Directors for approval prior to submission to the general membership for a vote. The call for the meeting must include amendments or changes that are proposed to be made.

Section 2. The Declaration can only be terminated, extended, modified or amended as provided in Article 16 of the Declaration. The Declaration of Protective Covenants, or any provision thereof, may only be terminated, extended, modified or amended as to the Property subject to the Protective Covenants, or any portion thereof, upon the written consent by the Owners of 67% or more of the Lots in the Property. Any such amendment shall be by an instrument duly executed, acknowledged and recorded in the records of Archuleta County, Colorado, and upon such recording shall be for the benefit of and be binding on all Owners of Lots within the property. Subject to the requirements of the Declaration, only the President and Secretary of the Association or persons so designated are authorized to prepare, execute, certify and record amendments to the Declaration.

UPDATED AND APPROVED by the Board of Directors on the 2<sup>nd</sup> day of July, 2020 by satisfying greater than 67% vote of the Membership.

BY: Desi C. Dundics  
Desi Dundics, President

ATTEST Kate Crawford  
Kate Crawford, Secretary