

BYLAWS
OF
PAWNEE HILLS COMMUNITY ASSOCIATION

ARTICLE I
NAME AND LOCATION

The name of the corporation is PAWNEE HILLS COMMUNITY ASSOCIATION, hereinafter referred to as "Association". The principal office of the corporation shall be location at ~~2600 South Parker Road, Denver, Colorado 80232~~ **35644 Cheyenne Trail Elizabeth CO 80107** but meetings of members and directors may be held at such places within the State of Colorado as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

1. Association. "Association" shall mean and refer to Pawnee Hills Community Association, a Colorado nonprofit corporation, its successors and assigns.
2. Owner. "Owner" shall mean and refer to the fee simple title owner, whether one or more persons or entities, of any lot located within Pawnee Hills Filing One and Pawnee Hills filing Two, Elbert County, Colorado
3. Properties. "Properties" shall mean and refer to that certain real property hereinabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.
4. Subdivision. "Subdivision" shall mean the real property duly platted as Pawnee Hills Filing One and Pawnee Hills Filing Two, located in Elbert County, Colorado.
5. Common Area. "Common Area" shall mean and refer to all real property (including the improvements thereon) owned by the Association for the common use and enjoyment of the owners. The real property owned by the Association as common area is described as follows:

Lot 6, Block 9; PAWNEE HILLS FILING ONE and Lot 19, Block 6, PAWNEE HILLS FILING TWO, according to the respective recorded plats thereof, Elbert County, Colorado.
6. Lot. "Lot" shall mean each subdivision lot so designated on the duly filed plats of the respective subdivisions by lot numbers with exception of the common area as heretofore defined.
7. Member. "Member" shall mean and refer to every person or entity who holds membership in the Association.

- ~~8. Architectural Control Committee. "Architectural Control Committee" shall mean the committee appointed by the Board of Directors of Pawnee Hills Community Association. *See HindmanSandchez document under Bylaws.~~
- ~~9. Declarant. "Declarant" shall mean and refer to Pawnee Hills, Ltd., a Colorado limited partnership. *See HindmanSandchez document under Bylaws.~~
10. Declaration. "Declaration" shall mean the Declaration of Amendment of Protective Covenant executed August 3, 1977 by Declarant relating to the subject property.

ARTICLE III

MEMBERSHIP AND VOTING

1. Membership. Every person or entity ~~including the Declarant~~ who is a record owner of a fee or undivided fee interest in any lot which is made subject to the covenants of record and amendments thereto concerning Pawnee Hills Filing One and Pawnee Hills Filing Two shall be a member of this Association. Membership is transferable only by transfer of ownership in a lot and shall terminate without any formal Association action whenever such person or entity ceases to own the lot, but such termination shall not relieve or release any such former owner from any liability or obligation incurred to the Association during the period of such ownership and membership in this Association, nor shall such termination impair any rights or remedies which the Board of Directors of the Association or others may have against such former owner and member arising out of, or in any way connected with such ownership and membership and the covenants and obligation incident thereof.
2. Voting Rights. ~~The Association shall have two classes of voting membership.~~

~~CLASS A. Class A Members shall be all those owners as defined in Paragraph 1 of this Article. with the exception of the Declarants. Class A Members shall be entitled to one vote for each lot in which they hold the interests required for membership by Paragraph 1. When more than one person holds such interest or interest in any lot all such persons shall be members, and the vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such lot.~~

~~CLASS B. The Class B members shall be the Declarants. The Class B members shall be entitled to three votes for each lot in which they hold the interest required for membership provided that the Class B membership shall cease and become converted to Class A membership on the happening of either of the following events, whichever occurs earlier:~~

- ~~(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or~~
~~(b) December 1, 1979.~~

3. Quorum. ~~Thirty percent (30%)~~ * **Twenty percent (20%)** of the votes of ~~each class~~ of the membership, as of the date of any meeting, whether in person or by proxy, shall constitute a quorum for the transaction of business as such meeting, and majority vote of such quorum shall be sufficient on any matter properly before membership. If a quorum is not present at any meeting of the members, a majority of the members present in person or by proxy may adjourn the meeting from time to time without further notice. * See **HindmanSandchez document under Bylaws/State Law.**

We had a question need to check against covenants currently the BOD adjourns the meeting.

Notwithstanding anything to the contrary in the above paragraph, sixty percent (60%) of ~~each class~~ the members of the Association, whether in person or by proxy, shall be necessary to constitute a quorum for the transaction of business pertaining to the following:

- (a) Dedication or transfer of any or a part of a common area to any public agency, authority or utility;
- (b) Any increase in the maximum assessment by greater than five percent (5%) per year;
- (c) The imposition of any special assessment other than for emergency purposes;
- (d) Annexation of additional property to be made subject to the jurisdiction of the Association.

4. Proxies. Members may cast votes in person or by proxy. To be valid and recognized, proxies must be in writing and filed with ~~the Secretary~~ **an officer** of the Association before the appointed time for any meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by a member of his lot.

ARTICLE IV

ADMINISTRATION

1. Annual Meetings. ~~The first annual meeting of the Association shall be held during the month of December in the year first following conveyance of the common area to the Association. Thereafter, The annual meetings of the Association shall be held in December~~ **January** of each succeeding year.

***Annual Meeting and an Additional Homeowner's Meeting.** The regular annual meeting of the Association shall be held at the end of January where Board of Directors will be elected. There will be an additional Homeowner's meeting held in the month of July.

***Amended at a special meeting – (June 24, 2004) Filed September 27, 2004 inaccurately stated in the document as filed August 14, 2000.**

2. Special Meetings. Special meetings of the membership may be called at any time by the President or by the Board of Directors, or upon written request of ~~twenty five percent (25%)~~ * **twenty percent (20%)** of the Class A membership entitled to vote.
* **See HindmanSandchez document under Bylaws Requirement by law**
3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary ~~of~~ or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ~~fifteen (15)~~ * **ten (10) and a maximum of fifty (50)** days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.
***See HindmanSandchez document under Bylaws. Required by law.**
4. Place and Time of Meetings. Meetings of the Association shall be held at such time and place as the Board of Directors determine, ***and requires physical posting of notice in a conspicuous place within the community.**
***See HindmanSandchez document under Bylaws Required by law**
5. Order of Business. The order of business at all meetings of the members shall be as follows:
 - (a) Call to order;
 - (b) Roll call certification of proxies;
 - (c) Proof of notice of meeting or waivers of notice;
 - (d) Reading of minutes of preceding meeting;
 - (e) Reports; of directors and officers
 - (f) Reports of Committees;
 - (g) Report of the managing agent (if any);
 - (h) Unfinished business
 - (i) Election of directors (if applicable);
 - (j) General and new business;
 - (k) Adjournment.
6. ~~Initial Performance of Functions by Declarant. Until the total votes (calculated and based upon all lots owned including lots hereinafter annexed) outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or December 1, 1979, whichever shall first occur, the rights, duties and functions of the Association shall at the Declarant's option, be exercised by Declarant or by a Board of Directors appointed by Declarant.~~
***See HindmanSandchez document under Bylaws**
6. ~~7~~ Number of Directors. The affairs of this Association shall be managed by ~~three (3)~~ * **five (5)** directors (or such greater number as may be provided by amendment of these Bylaws). ~~which~~ **Directors need not be members of the Association; however, the majority of the directors must be members of the Association and in good standing.**

* see amendment March 18, 1981 filed with the county August 8, 1990

~~7. 8-Election.~~ At the first annual meeting not affected by Declarant's option heretofore specified at Articles IV, paragraph 6, the members shall elect a director for a term of one year, a director for a term of two years, and a director for a term of three years. **Elections for directors shall be held at the annual January meeting.** At the expiration of the initial term of office of each of the respective directors, his a successor shall be elected to serve a term of three years. Directors shall hold office until their successors have been elected and hold their first meeting.

*** The term limit for a board of director will be three (3) years, after the third year, the board member must wait one (1) year before they are re-elected or appointed to be on the board.**

***Amended January 30, 2016 and filed April 25, 2016.**

Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, with respect to the each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Elected members as directors must be current in assessments and in compliance with governing documents.

~~9. Nomination of Directors.~~ Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The nominating committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non members.

***HindmanSandchez recommendation**

~~8. 10- Regular Meetings.~~ Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

~~9. 11-Special Meetings.~~ Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days notice to each member.

~~10. 12-Quorum.~~ A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors

present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

11. ~~13- Removal.~~ Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. ***Any director appointed by the board can be removed by a majority vote of the board.** In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board. ~~and shall serve for the unexpired term of his predecessor.~~

***Colorado Revised Non profit Act 7-128-108 (2) a, b, and c.**

12. ~~14- Vacancies.~~ Vacancies on the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a director until a successor is elected at the next annual meeting of the Association ***unless a director appointed by the board is removed by a majority vote of the board.**

***Colorado Revised Non profit Act 7-128-108 (2) a, b, and c.**

13. ~~15- Compensation.~~ No Director shall receive compensation for any service he may render to the Association; however, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

14. ~~16- Action Taken Without a meeting.~~ The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

15. ~~17- Powers and Responsibilities of Board of Directors.~~ The Board of Directors shall have the power to:

(a) Adopt and publish rules and regulations governing the use of the common area and facilities and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declarations;

(c) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(d) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

(e) Fix the amount of assessments (monthly and special) in accord with the terms specified in the Declaration.

(f) Send written notice of each **special assessment** to every owner subject thereto at least ~~five (5)~~ **thirty (30)** days in advance of each ~~monthly~~ **special** assessment.

Comment [CC1]:

(g) Issue or cause an appropriate officer to issue upon demand by any person a ~~certificate~~ **letter** setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of such a ~~certificate~~ **letter**.

(h) To maintain the common area in good order, condition and repair.

(i) To insure and keep insured against loss or damage by fire and other perils usually covered by fire insurance with extended coverage all of the insurable common facilities and common property of the complex in an amount equal to their maximum replacement value without diminution for depreciation. Further, to obtain and maintain comprehensive liability insurance covering such common areas for the benefit of all owners. ~~UNLESS the Board elects to leave such insurance up to the individual owners.~~ To insure and keep insured against fire and other perils as above, all of the fixtures, equipment and personal property acquired by the Association for the benefit of the Association and the owners and their first mortgagees, all in conformity with the Protective Covenants. Any policies of insurance maintained by the Association must include provisions whereby the underwriter waives all rights of subrogation against the Association, its members, their agents or employees except as to losses resulting from deliberate acts.

(j) Maintain a working capital account which shall be treated as an escrow account for each individual owner reserves.

(k) Collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an owner should an owner be in violation of the Protective Covenants and/or these Bylaws.

(l) Protect and defend the common areas from loss and damage by suit or otherwise.

(m) Borrow funds for any reasonable and/or necessary purpose in connection with their duties and to execute all such instruments evidencing such indebtedness as is expressly authorized by vote of the Board and any such indebtedness shall be assessed among all of the owners in the same proportion as their voting interest.

(n) Enter into contracts in order to carry out its duties.

(o) Establish one or more bank accounts for the common treasury and for all separate funds which are required or may be deemed advisable.

(p) Keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by any or all of the members.

(q) Designate the personnel necessary for the maintenance and operation of the common facilities.

(r) Suspend the voting rights and right to use of the recreational facilities of any member who is in default in the payment of any **monthly**, annual, or special assessment levied by the Association,

(s) Suspend, after notice and hearing, for a period not to exceed ~~thirty (30)~~ **sixty (60)** days, the rights of a member for violation of any rules and regulations established by the Board of Directors governing the use of the common area and facilities.

(t) Cause all officers or employees having fiscal responsibilities to be bonded, as the Board may deem appropriate.

(u) *The board has the right to suspend use of the common areas/recreational facilities for violations of the governing documents.

***HindanSandchez recommendation**

ARTICLE V

OFFICERS AND THEIR DUTIES

1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each **the** annual **January** meeting of the members.

3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

5. Resignation and Removal. Any officer may be removed from office with or without cause upon affirmative vote of a majority of the directors of the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaced.

7. Multiple Officers. The offices of secretary and Treasurer may be held by the same person.

8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by him by the Board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceeding of the Board and of the members: ~~Keep the corporate seal of the Association and affix it on all papers requiring said seal;~~ serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors ; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting; ~~and deliver a copy of each to the membership.~~

~~*ARTICLE VI~~

~~COMMITTEES~~

~~The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.~~

~~*HindmanSanchez recommendation~~

ARTICLE VII VI

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours and upon reasonable notice, be subject to inspection by any member. The Declaration, Articles of the Incorporation and the Bylaws of the Association shall be available

for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE VIII VII

ASSESSMENTS

1. Assessments. By declaration each member is deemed to covenant and agree to pay to the Association:

- (1) Monthly assessments or charges, and
- (2) Special assessments for capital improvements.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at a rate of twelve percent (12%) per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property. Assessments attributed to any lot in the Association, together with interest thereon and costs of collection including reasonable attorney's fees, shall be a continuing lien on the property against which such assessment is made, and shall also be the personal obligation of the record owner(s) of the lot at the time when the assessment becomes due and payable.

***The Association has the right to suspend use of the common areas/recreational facilities for non payment of assessments.** No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the common area or abandonment of his lot.

***HindmanSanchez recommendation**

2. Good Standing. A member shall be deemed to be in good standing and entitled to vote at any annual or special meeting of the members, within the meaning of these Bylaws, if and only if he shall have fully paid all assessments made or levied against him and the lot owned by him.

3. Notice of Lien or Suit. An owner shall give notice to the Association of any lien or encumbrance upon or against his lot which would affect the common elements other than for taxes and special assessments, and shall give the Association notice of any suit or other proceeding which may affect the common elements. Such notice shall be given within five (5) days after the owner has knowledge thereof.

4. Mechanic's Lien. Each owner agrees to indemnify and to hold each of the other owner harmless from any and all claims of mechanic's and materialmen's liens filed against properties

other than his own and/or against the common facilities for labor, material, services or other products incorporated into such owner's premises.

~~ARTICLE IX~~
~~CORPORATE SEAL~~

~~—The Association shall have a seal in circular form having within its circumference the words: Pawnee Hills Community Association — Colorado.~~

~~ARTICLE X VIII~~
~~AMMENDMENTS~~

1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

~~ARTICLE XI IX~~
~~INDEMNIFICATION AND LIABILITY~~

~~* 1. Indemnification of Officers, Directors and Managing Agent. The Association shall indemnify every Director, officer and managing agent, their respective successors and/or personal representatives, against all loss, costs and expenses, including counsel fees, reasonably incurred in connection with any action, suit or proceeding to which they may be made a party by reason of being or having been a director, officer or managing agent of the Association, except with regard to matters as to which they shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be~~

indemnified has not been guilty of gross negligence or willful misconduct in the performance of duty as director, officer or managing agent in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such director, officer or managing agent may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association by reason of, arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses.

~~2. Liability of Owners. Contracts or other commitments made by the Board of Directors, officers or the managing agent shall be as agent for the Association, and the owners shall have no personal responsibility on any such contract or commitment.~~

***"Your Bylaws do not contain an indemnification clause which adequately protects you to the fullest extent permitted by law. We recommend amending your Bylaws for this reason alone." HindmanSanchez document review**

ARTICLE ~~XII~~ X

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January, and end on the 31st day of December of every year, except the first fiscal year shall begin on the date of Incorporation.

***ARTICLE ~~XIII~~ XI**

AMENDMENTS AND ADDITIONS TO THE BYLAWS

- A. Whenever an owner submits plans and specifications to the Architectural Control Committee such submission shall be made to the Pawnee Hills Clubhouse, 35644 Cheyenne Trail, Elizabeth CO 80107, in person or by mail. The Architectural Control Committee shall confirm the receipt of all such submission within ten (10) following receipt at the Clubhouse. The Architectural Control Committee shall follow the procedure set forth in Article V, Section 3, of the Declaration of protective Covenants.**
- B. The following provisions shall guide the Architectural Control Committee in administering the Restrictions set forth in Article VI of the Declaration of Protective Covenants:**

1. Fences. (Section 2, of Article VI) No barbed wire fences shall be allowed. No chain Link fences shall be allowed except for dog runs. The maximum height of any fence shall be six feet (6'). No solid fencing shall be allowed on the perimeter of the property.

2. Livestock. (Section 7, of Article VI) Zoning for Pawnee Hills is RA-1, and County Regulations provide the containment area (corral) shall not exceed ten percent (10%) of the gross lot acreage or one-half (1/2) acre, whichever is less.

3. Trees. (Section 8 of Article VI) Minor pruning and trimming are to be done at the discretion of the homeowner.

4. Landscaping. (Section 9, of Article VI) Improved lawns of an area up to 1,600 square feet are allowed if approved by the Well Permit. The preferred types of grasses shall include: Fescue, Buffalo grass, Grama, Wheat Grass, Bromes, Clover and Rye.

5. Commercial Activity. (Section 13, of Article VI) All activities in the common areas shall be for a resident's personal use and/or training of an animal. No commercial activities in the common areas shall be approved. No business signs shall be permitted on any structure and non free-standing business signs shall be erected on any lot.

Home occupations shall be allowed as permitted by Elbert County Regulations, Section 23, page 153 which is attached to these Bylaws and incorporated herein by reference. (Section 23 of the Elbert County Regulations concerning home occupation are attached to these Bylaws and incorporated by reference herein).

6. Nuisance and Firearms. (Section 16, of Article VI) No unlicensed motor vehicles are allowed on the roads or common areas of the subdivision.

Homeowners are strongly encouraged to hood outdoor lights and use timers or motion control devices for such outdoor lights.

PAWNEE HILLS COMMUNITY ASSOCIATION

By _____

President

ATTEST:

Secretary

Director

Director

Director

Director

Being all of the Directors of
PAWNEE HILLS COMMUNITY ASSOCIATION



