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**BYLAWS  
OF  
DURANGO TECHNICAL CENTER OWNERS ASSOCIATION, INC.**

**ARTICLE 1 — DEFINITIONS**

1.1 “Association” shall mean and refer to Durango Technical Center Owners Association, Inc., a non-profit corporation existing under the laws of the State of Colorado.

1.2 “Declaration” shall mean the Declaration of Covenants, Conditions and Restrictions for Durango Technical Center, P.D., recorded at Reception No. 685938, together with any amendments thereto and the plats thereof recorded at Reception Nos. 686519 and 685939.

1.3 “The Property” shall mean and refer to the Durango Technical Center, P.D..

1.4 “The Act” shall mean the Colorado Common Interest Ownership Act (Section 38-33.3-101 et seq., CRS), or any successor statute, as it may from time to time be amended. (Note: The Property is not subject to the Act as such; reference to the provisions within the Act is for convenience only.)

1.5 “Board of Directors” shall mean the Executive Board, as that term is used in the Act, and the terms shall be used synonymously for purposes of these Bylaws.

1.6 “Director” shall mean a member of the Board of Directors.

1.7 The meaning to be given to all words, terms and phrases used herein shall be the same as defined in the Declaration or the Act.

**ARTICLE 2 — MEMBERSHIP**

2.1 Members. The Members of the Association shall be the owners of the Lots (Building Sites) within the Property. Membership in the Association shall be reflected only by record ownership of one or more Lots. No separate certificate of membership or shares of stock shall be issued. Each owner of a Lot should be deemed to be a Member for purposes of the Declaration and the Act.

2.2 Rights of Membership. The rights of membership are subject to the payment of regular and special assessments levied by the Association, and the obligation of payment of such assessments is imposed against each owner of Units and becomes a lien upon the property against which such assessments are made as provided by the Declaration.

2.3 Suspension of Rights. The membership rights of any person, firm, association, corporation or other legal entity whose interest in the Property is subject to assessment under the

Declaration, whether or not there is any personal obligation to pay such assessments, may be suspended by action of the Board of Directors for any period during which such assessments remain unpaid; but, upon payment of such assessments and any interest accrued thereon, the membership rights and privileges shall be immediately and automatically restored.

2.4 Bylaws. These Bylaws may be amended, revised, or repealed only by action of the membership, except as specified in Section 4.5.

### ARTICLE 3 — MEETINGS OF MEMBERSHIP

3.1 Annual Meeting. The annual meeting of Members shall be held each year on the second Tuesday in September at 4:00 PM. If the day so designated falls upon a legal holiday, then the meeting shall be held on the first secular day thereafter.

3.2 Special Meetings. Special meetings of the Members may be called at any time by the President or majority vote of the Board of Directors. Such meetings may be held at such time or places as may be determined by the Board. The Board of Directors shall call a special meeting of Members whenever requested to so in writing by Member or Members owning not less than twenty percent (20%) of the Lots.

3.3 Notice of Meetings. Notice of the annual meeting shall be given at least thirty (30) days before the meeting. Notice of special meetings shall be given personally or by mail not less than fifteen (15) days before the date set for such meeting. Notices of special meetings shall state the purpose or purposes for which such meeting is called. Notices, if mailed, shall be directed to the Member's address last appearing on the books of the Association or supplied to the Association for the purpose of notice or, if there be none, to the Member's address as reflected in the records of La Plata County for assessment purposes. At any meeting at which all Members shall be present, the giving of such notice shall not be required. Notice shall not be required as to any Member not present who has waived notice in writing. The notice of meeting shall state the time and place of the meeting and items on the agenda and must set forth the general nature of any proposed action. No action may be taken to amend the Bylaws, adopt or amend a budget, or remove an officer or director unless a general description of such action is included in the notice of meeting.

3.4 Quorum. A quorum is deemed present throughout any meeting of the Association if twenty percent (20%) of the Members entitled to cast votes are present, either in person or by proxy, at the beginning of the meeting.

3.5 Voting. At all meetings of the Members all questions, the manner of deciding which is not specifically regulated by statute of the Declaration, shall be determined by a majority of the votes cast on each question. Members shall have only one vote per Lot owned, and if there are two or more record owners of a Lot, they must designate the person who will cast such vote. No Member(s) determined by the Board of Directors to be delinquent in any regular or special assessment shall be entitled to vote at any annual or special meeting.

3.6 Agenda for Annual Meetings. At the annual meeting, the Members shall elect Directors and establish the annual and special assessments. Such other business may be conducted as is brought before the meeting, except that amendments to the Bylaws require notice as specified above.

3.7 Conduct of Meetings. At the discretion of the President, the President may declare (before the start of any meeting or at any time during the meeting as to matters arising thereafter) that the meeting shall be conducted in accordance with Roberts Rules of Order, Revised, or such other rules of procedure as he may select, and may prescribe the maximum time which each Member may be allowed to speak to any issue.

#### ARTICLE 4 — DIRECTORS

4.1 Election. The affairs and business of the Association shall be managed by a Board of Directors, which shall also act as an Executive Board for all purposes required by the Act. Directors shall be elected by a majority of votes cast. The number of Directors shall initially be three; the number of Directors may be increased to any number, not to exceed five, by majority vote of those present at any annual meeting or any special meeting duly called and noticed for the purpose of increasing the number of Directors.

4.2 Election. Directors shall serve until the next annual meeting, or until their successors shall be elected and qualified.

4.3 Election. Nominations for director shall be made from the floor. All directors shall be natural persons and shall be an owner or co-owner of a Lot or a general partner or officer of an entity owning a Lot. Only one person representing any Lot shall be elected to the Board at any one time. No person shall be elected to or serve on the Board of Directors unless all Lots owned by such person are current on all assessments.

4.4 Election. Election to the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation and the Bylaws. The persons receiving the largest number of votes shall be elected. Cumulative voting shall not be permitted.

4.5 Powers and Duties of Directors.

POWERS: The Board of Directors shall have the power to:

a. Adopt, publish and enforce rules and regulations governing the use of the roads and common elements of the Property and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof.

b. Suspend the voting rights of a Member during any period in which such

Member shall be in default in the payment of any assessment levied by the Association.

c. Exercise all powers, duties and authority vested in or delegated to the Association, and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, the Declaration, or the Act.

d. Declare the office of a member of the Board of Directors to be vacant in the event such Director shall be absent from three (3) consecutive regular meetings of the Board of Directors or shall be in default of any assessment levied by the Association.

e. Employ managers, independent contractors, or such other persons as they deem necessary to perform the maintenance and improvements required of the Association and its facilities, and to prescribe their duties.

f. Regulate the use, maintenance, repair, replacement, and modification of the roads, facilities and other common elements and enter into contracts or other arrangements for snow plowing, maintenance and repair of the roads and other common elements.

g. Adopt emergency Bylaws or amendments to the Bylaws. Such emergency amendments shall be accompanied by a call for a special meeting of Members and notice of the amendment. Such amendment shall be repealed unless ratified at the special meeting. In no event shall such emergency amendment remain in effect longer than thirty (30) days without ratification by the membership

h. Elect a President, Vice-President, Treasurer, Secretary, and such assistants thereto and such other officers as the Board may deem necessary.

i. Fill vacancies on the Board of Directors.

DUTIES: It shall be the duty of the Board of Directors to:

a. Cause to be kept a complete record of all its acts and Association affairs, and to present, or cause the President to present, a report thereof to the Members at the annual meeting.

b. Supervise all officers, agents and employees of the Association and see that their duties are properly performed.

c. Manage the Association's financial affairs, which shall include:

1. Adopt a proposed budget, including the amount of any regular or special assessments against each Lot, for consideration at the annual meeting, and to give notice of such adoption, together with a summary thereof, not less than fourteen nor more than forty-five days before the annual meeting.

2. Send written notice of the assessment to every Lot owner subject thereto. Assessments may be made payable annually, quarterly, or monthly, as the Board shall determine. In the event of delinquency, the Association may exercise all powers of an Association under the Act.

d. Issue, or cause an appropriate office to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be imposed by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificates shall be conclusive evidence of such payment.

e. Procure and maintain adequate liability and hazard insurance on property owned by the Association, if such insurance is reasonably available or required for protection of the Association and its Members, and to obtain such other insurance, including but not limited to Directors' and Officers' Errors and Omissions coverage, as the Board may deem reasonably necessary.

f. Cause the officers or employees having fiscal responsibility to be bonded, as it may deem appropriate.

g. Cause the roads and other facilities which are owned by the Association to be maintained.

h. Maintain all commonly used equipment.

i. Exercise control over grant of easements, utilities or access, as provided in the Declaration.

4.6 Directors' Meetings. Regular meetings of the Board of Directors shall be held immediately following the annual meeting of the Members and at such other times and places as the Board of Directors may determine. Special meetings of the Board of Directors may be held at such times or places as the Board of Directors may determine. Any action which may be taken with a meeting may be taken without a meeting with the written consent of all Directors.

4.7 Notice of Meetings. Notice of meetings, other than regular meetings, shall be given by service upon each Director in person, or by mailing to each Director's last known post office address, at least ten (10) days before the date therein designed for such meeting. The notice shall state the business to be considered at such meeting, but additional business not specified in the notice may be transacted unless prohibited by the Declaration, Articles, Bylaws, or the Act. At any meeting at which every member of the Board of Directors is present, except if such presence is for the sole purpose of objecting to the transaction of any business because the meeting is not lawfully called, or the directors not present have waived notice in writing, such presence or waiver shall be deemed equivalent to notice, a waiver of all objections to the manner of calling said meeting, and a ratification of the validity of said meeting.

4.8 Quorum. At any meeting of the Board of Directors, two Members shall constitute a quorum for the transaction of business, but if a quorum is not present, a lesser number may adjourn the meeting to some future time, not more than thirty-one (31) days later.

4.9 Voting. At all meetings of the Board of Directors, each Director shall have one vote.

4.10 Vacancies. Vacancies in the Board occurring between annual meetings shall be filled for the unexpired portion of the term by a person or persons selected by a majority of the remaining Directors.

4.11 Removal of Directors. Any one or more of the Directors may be removed, with or without cause, at a meeting of the Members called expressly for that purpose, by a vote of a majority of the voting rights present in person or by proxy.

4.12 Compensation of Directors. Directors (whether or not serving as officers of the Association) shall serve without compensation, except that the Board of Directors may provide for reimbursement of necessary expenses incurred in fulfillment of duties.

#### ARTICLE 5 — COMMITTEES

5.1 Establishment of ARC. There is established an Architectural Control Committee (“ARC”) consisting of three (3) members.

5.2 Duties of ARC. The ARC shall perform the duties set forth in Article V of the Declaration.

5.3 General. The Board of Directors may appoint such other committees as it deems appropriate in carrying out its powers and duties as provided in these Bylaws.

#### ARTICLE VI — OFFICERS

6.1 Number. The officers of the Association shall be:

President  
Vice President  
Secretary  
Treasurer

Officers of the Association may, but need not, be members of the Board of Directors. The duties of any two offices except that of President and Secretary may be performed, and said offices may be held, by the same person.

6.2 Election. All of the officers of the Association shall be elected annually by the Board of Directors at its meeting held after the annual meeting of Members, and shall hold the office for

the term of one year or until their successors are duly elected. At the option of the Members, officers may be elected at the annual meeting of Members.

6.3 Duties of Officers. The duties and powers of the officers of the Association shall be as follows:

PRESIDENT: The President shall:

- a. Cause to be called regular and special meetings of the Members and Directors in accordance with these Bylaws.
- b. At the direction of the Board of Directors, appoint and remove, employ and discharge, and fix compensation for all servants, agents, employees and clerks of the Association, other than the officers and directors.
- c. At the direction of the Board of Directors, sign and make all contracts, agreements and instruments in the name of the Association.
- d. See that the books, reports, statements and certificates required by federal and state laws are properly kept and filed, according to such laws.
- e. Sign all notes and obligations of the Association, but the authority to issue corporate checks shall not be limited to the President, but shall be held also by such other officers and agents and in such manner as the Board of Directors may from time to time determine.

VICE-PRESIDENT: The Vice-President shall:

- a. At the request of the President, or during the absence of or inability of the President to render and perform the duties or exercise the powers set forth in these Bylaws or in the laws under which the Association is organized, the same shall be performed by the Vice-President, and when so acting, the Vice-President shall have all of the powers and be subject to all the responsibilities hereby given to or imposed upon the President.

SECRETARY: The Secretary shall:

- a. Keep the minutes of the meetings of the Board of Directors and of the Members in appropriate books.
- b. Give and serve all notices of the Association.
- c. Keep the member ledger books so as to show at all times the names of the members, their respective places of residence, and their post office addresses.

- d. Present to the Board of Directors all communications addressed to the Secretary by the President or any office or Member of the Association.
- e. Be custodian of the records of the Association.
- f. Attend to all correspondence and perform all the duties incident to the office of Secretary.

TREASURER: The Treasurer shall:

- a. Have the care and custody and be responsible for all the funds and securities of the Association, and shall deposit such funds and securities in the name of the Association in such bank or trust company as the Board of Directors may designate. At the direction of the Board of Directors, the Treasurer shall disburse the funds of the Association in such manner and to such persons, corporations, or other entities as the Board may designate.
- b. Exhibit at all reasonable times the books and accounts of the Association to any Director or Member of the Association.
- c. Render a statement of the condition of the finances of the Association at each annual meeting of the Members, and at such other times as may be required.
- d. Keep correct books of account of all the Association's business and transactions, and such other books and records as the Board of Directors may require from time to time.
- e. Do and perform all duties pertaining to the office of Treasurer.

6.4 Assistants. The Board of Directors may appoint such assistance officers as they deem necessary, and said assistants, when acting, shall have all of the rights, duties and responsibilities and powers of such officer.

6.5 Vacancies. All vacancies in any office shall be filled by the Board of Directors without undue delay, either at its regular meeting or at a meeting specially called for that purpose

6.6 Removal of Officers. By majority vote, the Board of Directors may remove any officer at any time, with or without cause.

## ARTICLE VII — AMENDMENTS

These Bylaws may be altered, amended, repealed, or added to at any annual meeting of the Membership, or at any special meeting called for that purpose, by a vote of three-fourths (3/4) of a quorum of the Members present in person or by proxy.

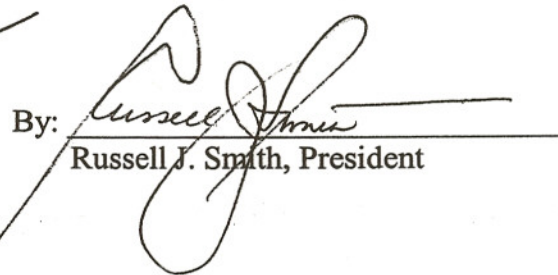


These Bylaws were adopted by a special vote of the Durango Technical Center Owners Association completed the 7<sup>th</sup> day of July, 2005.

ATTEST:

Durango Technical Center Owners Association, Inc.  
a Colorado nonprofit corporation

  
\_\_\_\_\_  
Secretary

By:   
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Russell J. Smith, President