

**RESOLUTION OF  
BOARD OF DIRECTORS  
OF  
PARK WATER COMPANY  
Resolution # 06/03-01**

This resolution is made pursuant to the Colorado Revised Non-Profit Corporation Act, CRS 7-121-101 and is made this 15 day of March, 2006 by the Board of Directors of Park Water Company.

WHEREAS Park Water Company is a Colorado Non-Profit Corporation; and


WHEREAS the Board of Directors of Park Water Company find it necessary to amend the By-Laws and Rules and Regulations of Park Water Company:

NOW THEREFORE, BE IT RESOLVED:

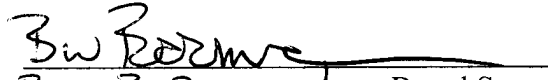
RESOLVED, that the By-Laws of Park Water Company shall be repealed, amended and restated as shown in Exhibit A which is attached hereto and made part hereof.

FURTHER RESOLVED, that the Rules and Regulations of Park Water Company shall be repealed, amended and restated as shown in Exhibit B which is attached hereto and made part hereof.

ADOPTED this 15 day of March, 2006 by a vote of five.

By:   
Wayne Shephard, Board President

Attest:

  
B.W. Borman, Board Secretary

**AMENDED AND RESTATED BY-LAWS  
OF  
PARK WATER COMPANY  
A Colorado Nonprofit Corporation**

**ARTICLE ONE  
NAME AND ADDRESS**

The name of this corporation is Park Water Company (hereinafter the "Company").  
Section One. The principal office of the Company shall be located at 28324 Tresine Drive, Evergreen, Colorado. The principal office may be changed from time to time by resolution of the Board of Directors. The Company may also have additional offices as the Board of Directors may approve.

**ARTICLE TWO  
MEMBERS AND MEETINGS**

Section One. Membership. The Association shall have one class of members comprised of the owners of record of the fee simple title to any lot served by the Company pursuant to written service agreements and the Company's Rules and Regulations. Where more than one person or entity is the owner of record of a lot and qualified as a Member, they shall share a single vote on all matters submitted to the membership for approval.

Section Two. Annual Meetings. Annual meetings of the Members shall be held during the second quarter of each year. At such meetings there shall be elected the members of the Board of Directors of the Company. The Members may also transact such other business of the Company as may properly come before the meeting.

Section Three. Special Meetings. The President may, and shall if directed by resolution of the Board of Directors or by petition signed and presented to the Secretary by Members owning a total of five(5) lots, call a special meeting of the Members. The notice of any special meeting shall state the time and place of the meeting, and the intended purpose. Business shall not be transacted at a special meeting except as stated in the unless a majority of the membership present consents, either in person or by proxy, to the consideration of additional matters.

Section Four. Place of Meetings. Meetings of Members shall be held at a convenient location in the Evergreen area as may be designated by the Board of Directors.

Section Five. Notice of Meetings. It shall be the duty of the Secretary or the Secretary's designee to mail a notice of each annual or special meeting, stating its purpose, time, and place, to each Member, at the address last furnished the Company, at least fourteen (14) and no more than sixty (60) days prior to the meeting. The mailing of a notice in the manner provided in this section shall be considered notice served. The Secretary shall provide a statement or affidavit to be included in the official records of the Company, affirming that notices of the Company meeting were mailed or hand delivered, in accordance with this provision, to each Member at the address last furnished the Company.

**EXHIBIT**  
A

Section Six. Quorum. At all meetings of the Members, the presence of Members, in person, telephonically or by proxy, entitled to cast one-fourth (1/4) of the votes, shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, these By-laws or by law. The acts of those Members entitled to exercise fifty-one percent (51%) or more of the total voting power of those Members present in person or by proxy at a meeting at which a quorum is present, shall bind all Members for all purposes, except those for which the approval of a higher percentage is required by the Articles of Incorporation, these Bylaws, or by law. If, at any meeting of Members, there is less than a quorum present, those Members entitled to exercise fifty-one percent (51%) of the total voting power of those Members present may adjourn the meeting to a time not more than forty-five (45) days from the time the original meeting was called. At any such subsequent meeting at which a quorum is present, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section Seven. Action without a Meeting. Any action of Members required by the Articles of Incorporation or submitted to the Members by the Board of Directors may be taken without a meeting if the Members entitled to vote thereon unanimously agree and consent to such action in writing. Any such action also may be taken without a meeting by ballot in accordance with statute.

Section Eight. Order of Business. The order of business at all meetings of the Members shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Board of Directors.
- (f) Reports of committees.
- (g) Election of Members of Board of Directors (when required).
- (h) Unfinished business.
- (i) New business.

Section Nine. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot.

Section Ten. Minutes. Minutes shall be taken at all meetings of Members. Copies of the minutes shall be available for inspection at the office of the Company by Members and Members of the Board of Directors at all reasonable times.

## **ARTICLE THREE BOARD OF DIRECTORS**

Section One. Governing Board of the Company. The affairs of the Company shall be administered and managed by a governing board, to be known as the "Board of Directors," consisting of no less than five (5) Members.

Section Two. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Company, and may do all acts and things as are now by law, by the Articles of Incorporation, or by these By-Laws directed to be exercised and done by the Board.

Section Three. Election and Terms of Office. The terms of the Members of the Board of Directors shall be fixed at two years. Directors shall hold office until their successors have been elected and hold their first meeting. The terms of the Directors will be staggered so two will be elected in even years and three will be elected in odd years.

Section Four. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Board Member by a vote of the Members shall be filled by vote of the majority of the remaining Board Members, even though they may constitute less than a quorum. Each person so elected shall hold office until a successor is elected at the next annual meeting of Members.

Vacancies created by the recall and removal of a Board Member by the vote of the Members shall be filled by a majority of the votes cast in person or by proxy at any regular or special meeting at which a quorum is present. The notice shall state the purpose of the meeting. Any member so elected shall serve for the unexpired term of the predecessor in office.

Section Five. Recall and Removal of Board of Directors. Any Member of the Board of Directors may be recalled and removed from office with or without cause by the vote cast in person or by proxy by a majority of all of the Members. A special meeting of the voting interests to recall any Member of the Board of Directors may be called by no fewer than ten (10) of the Members giving notice of the meeting as required for a meeting of the Members, and the notice shall state the purpose of the meeting.

If the recall is approved as herein provided, the recall shall be effective immediately, and each recalled Member of the Board of Directors shall turn over to the Board any and all records of the Company in his or her possession within 72 hours after the meeting.

Section Six. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as are determined by the Board. However, regular meetings shall be held at least annually during each year. Notice of each regular meeting of the Board shall be given to each Board Member personally, or by mail, telephone, or facsimile, at least fourteen (14) days prior to the date set for the meeting.

Section Seven. Special Meetings. Special meetings of the Board of Directors may be called by the President, and shall be called by the President or Secretary on the written request of at least

two (2) Board Members, on three (3) days' notice to each Board Member, given personally, or by mail, telephone or facsimile. Any such notice shall state the time, place, and purpose of the meeting.

Section Eight. Meetings Open to Members. All meetings of the Board of Directors shall be open to all Members.

Section Nine. Waiver of Notice. Any Board Member may at any time waive notice of any meeting of the Board of Directors in writing, and any written waiver shall be deemed equivalent to the giving of the notice required by these By-Laws. Attendance by any Board Member of any meeting of the Board shall constitute a waiver by that Member of notice of the time and place of the meeting. If all Board Members are present at any meeting of the Board, notice shall not be required, and any business may be transacted at any such meeting.

Section Ten. 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 written approval of all of the Members of the Board. Any action so approved shall have the same effect as though taken at a meeting of the Board of Directors.

Section Eleven. Quorum; Adjournments. At all meetings of the Board of Directors, a majority of the Board shall constitute a quorum for the transaction of business, and the acts of a majority of Board Members present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors. If at any meeting of the Board of Directors less than a quorum is present, a majority of those present may adjourn the meeting. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section Twelve. Minutes. Minutes shall be taken at all meetings of the Board of Directors. Copies of the minutes shall be available for inspection by Members and Board Members at all reasonable times.

Section Thirteen. No Member of the Board of Directors shall receive compensation from the Company for acting as such; however, any director may be reimbursed for his or her actual expenses incurred in the performance of his/her duties.

## **ARTICLE FOUR OFFICERS**

Section One. Designation. The principal officers of the Company shall be a President, a Vice President/Secretary and a Treasurer, all of whom shall be Members of the Board of Directors. No person shall simultaneously hold more than one office.

Section Two. Election of Officers. The officers of the Company shall be elected annually by the Board of Directors at its first regular meeting each year and shall hold office at the pleasure of the Board.

Section Three. Removal of Officers. On the affirmative vote of a majority of the Members of

the Board of Directors, any officer may be removed, with or without cause, and his or her successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for that purpose.

Section Four. President. 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 contracts and other written instruments.

Section Five. Vice President. The Vice President/Secretary shall take the place of the President and perform his or her duties whenever the President is absent or unable to act. The Vice President/Secretary shall also perform such other duties as may from time to time be imposed on him or her by the Board of Directors.

Section Six. Treasurer. The Treasurer shall oversee the Office Manager/Bookkeeper who shall record the votes and keep the minutes of all meetings of the Board of Directors and of the Members; he or she shall have charge of such books and papers as the Board of Directors may determine; he or she shall receive and deposit in appropriate bank accounts all monies of the Company and shall disburse such funds as necessary and as budgeted; shall sign all checks of the Company; keep proper books of account; shall prepare a proposed annual budget and a statement of income and expenditures to be presented to the Board, and deliver a copy of the proposed budget to Members, in general, perform all duties incident to the office of Treasurer as shall be requested by the Board.

## **ARTICLE FIVE OPERATION AND MANAGEMENT OF COMPANY**

Section One. Determination of Expenses; Budget. The Board of Directors shall, at least annually, develop a budget and set Company fees and charges for the coming year. Member approval shall not be necessary.

Section Two. Other Assessments. The Board of Directors shall make additional assessments as provided for in the Company's service agreements to defray the costs of beneficial services and projects. Member approval shall not be necessary.

Section Three. Collection of Fees, Charges, and Assessments. The Board of Directors shall assess fees, charges and assessments against the Members and initiate such action as the Board may deem necessary to collect the same.

Section Four. Liability for Fees, Charges, and Assessments. All Members are obligated to pay the fees, charges and assessments of the Company as set by the Board of Directors at such times as the Board may determine. No Member may exempt himself or herself from liability for any fees, charges or assessments by waiver of the use of a required Company service or by abandonment of his or her Lot. All unpaid fees, charges, and assessments shall be a lien upon the Member's Lot. On the voluntary sale or conveyance of a lot, all unpaid fees, charges, and assessments against the seller shall be paid from the proceeds of sale or by the purchaser as a condition of releasing the lien.

Section Five. Default in Payment of Common Charges. In the event any Member fails to pay to the Company the fees, charges and assessments assessed against his or her Lot, such Member shall be deemed in default, and shall be obligated to pay interest, together with all expenses, including reasonable attorney fees, incurred by the Board of Directors in any effort or proceeding brought to collect the same, or to foreclose the lien for nonpayment, all as set forth in the Rules and Regulations of the Company and its written service agreement.

Section Six. Abatement of Violations. It shall be the right and duty of the Board of Directors to enforce the terms of the Company's written service agreements, its Rules and Regulations, and these By-Laws.

## **ARTICLE SIX SEAL**

The seal of the Company will be circular in form and have within its circumference the words or appropriate initials for the Park Water Company.

## **ARTICLE SEVEN FISCAL YEAR**

The fiscal year of the Company will be the calendar year unless otherwise determined by resolution of the Board of Directors.

## **ARTICLE EIGHT MISCELLANEOUS**

Section One. Waiver. No restriction, condition, obligation, or provision contained in these By-laws will be deemed to have been waived by reason of any failure to enforce it, irrespective of the number of violations and failures to enforce that may occur.

Section Two. Invalidity. If any provision of these By-laws is declared invalid, the invalidity will in no way impair or affect the validity, enforceability, or effect of the remaining provisions of these bylaws.

Section Three. Captions. Captions are inserted in these By-laws for convenience and reference only, and will not be taken in any way to limit or describe the scope of these Bylaws or any of their provisions.

## **ARTICLE NINE AMENDMENTS**

Section One. Amendments. These By-laws may be amended at a regular or special meeting of the Board of Directors, by a vote of a majority of a quorum of Members of the Board of Directors present in person or by proxy.

ADOPTED THIS 15 DAY OF March, 2006.

PARK WATER COMPANY BOARD OF  
DIRECTORS

By: \_\_\_\_\_

Board President

Attest: \_\_\_\_\_

Vice President/Secretary