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**RECORDED DOCUMENT**

STATE OF OREGON  
COUNTY OF DESCHUTES



\*2001-1089 \* Vol-Page

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**DO NOT REMOVE THIS CERTIFICATE**

(This certificate constitutes a part of the original instrument in accordance with ORS 205.180(2). Removal of this certificate may invalidate this certificate and affect the admissibility of the original instrument into evidence in any legal proceeding.)

I hereby certify that the attached instrument was received and duly recorded in Deschutes County records:

DATE AND TIME: Jan. 9, 2001; 9:39 a.m.

RECEIPT NO: 30584

DOCUMENT TYPE: Covenants, Conditions &  
Restrictions

FEE PAID: \$141.00

NUMBER OF PAGES: 22

A handwritten signature in cursive script that reads "Mary Sue Penhollow".

MARY SUE PENHOLLOW  
DESCHUTES COUNTY CLERK

AFTER RECORDING, RETURN TO:

✓ Charles N. Fadeley  
Attorney at Law  
Post office Box 1408  
Sisters, OR 97759

**AMENDED COVENANTS, CONDITIONS AND RESTRICTIONS  
(RESTATED CC&RS - SNO-CAP VISTA ESTATES)**

The Declarant is Sno-Cap Property Owners' Association, representing the Lot owners of Sno-Cap Vista Estates, Deschutes County, Oregon. These Covenants, Conditions and Restrictions being superseded by these Amended Covenants, Conditions and Restrictions are all those adopted prior in time and include, without limitation, those recorded January 7, 1976, Vol. 226, Page 911, Instrument #10223; July 23, 1971, Vol. 177, Page 659, Instrument #1039; November 15, 1993, Vol. 319, Page 0196, Instrument #93-40796; September 25, 1968, Vol. 161, Page 89; and June 2, 1969, Vol. 165, Page 42, Instrument #6930, all in Deschutes County Official Records.

**ARTICLE 1: DEFINITIONS**

Section 1: Definitions: Whenever used in this Declaration, the following terms shall have the following meanings:

1.1 "Articles of Incorporation" or "Articles" are the Articles of Incorporation of Sno-Cap Property Owners Association, Inc. as filed with the Secretary of State, Corporate Division of the Business Registry for the State of Oregon.

1.2 "Association" is the Sno-Cap Property Owners Association, Inc.

1.3 "Board of Directors" or "Board" shall mean the then duly constituted Board of Directors of the Association.

1.4 "Bylaws" shall mean the Bylaws of Sno-Cap Property Owners Association, Inc. as they may be duly amended from time to time. Current Amended Bylaws are attached hereto, labeled Exhibit A and incorporated.

1.5 "Common Area" shall mean all real and personal property which the Association owns, leases, or otherwise holds possessory or use rights for common use and general welfare of the Owners.

1.6 "Declaration" shall mean the Protective Covenants, Conditions and Restrictions and all other provisions set forth in such entire documents for Sno-Cap Vista Estate, including Sno-Cap First and Second Additions, as same may from time to time be amended and duly recorded in the Office of County Clerk, Deschutes County.

1.7 "Lot" shall mean any numbered plot of land shown upon any recorded subdivision plat of Sno-Cap Vista Estates, including Sno-Cap First and Second Additions, whether improved, or unimproved, which may be independently owned and conveyed. The term shall include, by way of illustration but not limitation, references to units and homesites, but shall not include Common Areas.

1.8 "Member" shall mean every person, or entity, entitled to membership in the Association.

1.9 "Office of the County Clerk" shall mean the designated recording office of Deschutes County, State of Oregon.

1.10 "Owner" means the recorded owner of any lot within Sno-Cap Vista Estates or a contract purchaser if the seller retains legal title merely to secure performance of the contract.

1.11 "Tenant" means any person occupying the premises or land in subordination to such other person's title and with that person's expressed assent.

1.12 "Architectural Committee" shall mean the committee designated by the Board of Directors to administer regulations pursuant to the Bylaws and Declarants.

1.13 "Emergency" shall mean conditions requiring immediate preservation of the Associations property, Member's health and safety.

**ARTICLE 2: MEMBERSHIP**

Members of the Association shall be every Owner. There shall be no other qualification for Membership except as set forth above. Every Owner shall be subject, by covenants of record, to assessment by the Association. Membership shall terminate on transfer of fee simple title by an Owner or the contract of Purchaser's interest by a contract Purchaser who qualifies as a Member. If an Owner sells the Lot by contract of sale upon written notification to the Association the Owner's Membership shall terminate and the contract Purchaser's Membership shall commence.

**ARTICLE 3: VOTING RIGHTS**

The vote of a Lot may be cast in person, or by absentee ballot, or pursuant to a proxy executed in writing and filed with the Association Secretary by the Lot Owner. If the Lot is held in joint Ownership, the vote for each Lot shall be exercised as the joint Owners among themselves determine.

**ARTICLE 4: PROPERTY RIGHTS**

Membership in the Association shall entitle the holder to access to Common Areas.

## ARTICLE 5: WATER SYSTEM

**Section 1: Ownership:** The water system is owned by Sno-Cap Water System, composed of all Lot Owners in Sno-Cap Vista Estates. The Sno-Cap Water System, referred to henceforth as the "System", whose purpose is to supply water for domestic use only to properties within Sno-Cap Vista Estates and three lots outside Sno-Cap Vista Estates, and to provide certain other functions as may be appropriate for the benefit of its members. The maximum number of lots connected to Sno-Cap Water System will not exceed fifty-one (51).

**Section 2: Operation and Use:** The entire system including facilities such as structures, wells, pumps, reservoirs, lines, valves, meters, fire hydrants and electrical services will be operated only by designated personnel and them alone. Except for members of regularly constituted fire departments in the execution of their duties, no person shall connect to any main or service or interfere with the operation of any line, valve, meter, pump or fire hydrant.

**Section 3: Responsibility:** The system will maintain and repair its mains, service pipes, meters, structures and facilities as to keep them in good operating condition at all times. Every effort will be given to notify homeowners or users of any shut down.

**Section 4: Charges:** Each Lot Owner will have a monthly service charge for the maintenance and operation of the system. A usage fee will be charged to every Homeowner who uses water from the system. A connect fee will be charged for the initial connection to the water system. No water meter installation or water hook up shall be made to any Lot that owes money to the water system until the bill has been paid in full. The Sno-Cap Board of Directors will determine the charges and fees and may raise and lower such charges and fees to ensure adequate funding of system operations, maintenance and capital improvements.

**Section 5: Policies and Procedures:** The Board of Directors shall adopt service policies and procedures regarding water system operation, usage, liability, billing, disconnection and the like, and may modify such policies, rules and regulations from time to time.

## ARTICLE 6: COVENANT FOR MAINTENANCE ASSESSMENT

**Section 1: Assessments:** Each Owner of any Lot, by acceptance of a deed or contract of purchase therefore, whether or not it shall be so expressed in any such deed or other conveyance or agreement for conveyance, is deemed to covenant and agree to pay to the Association:

1. Regular annual or other regular periodic assessments or charges which shall be used exclusively for the following purposes:

- a. payment of the cost of maintaining the roads, signs, and Common Area;
- b. payment of taxes levied against the Common Area;
- c. payment of costs of insurance against liability arising out of the existence of the Association and its Board of Directors.
- d. payment of any expense reasonably incurred by the Association Board of Directors in the operation of the Association, including emergencies.

2. In addition to the annual or other regular periodic assessments specified above, the Association may levy, in any assessment year, a special assessment applicable to that year only, for the purpose of defraying in whole or in part the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Areas, provided that except for repairs or replacements, any such assessment which exceeds \$200.00 in costs shall require the affirmative vote of a majority of the votes entitled to be cast voting in person or by proxy at a meeting duly called for this purpose.

3. Water assessments shall be used solely for the expense and operation of the water system.

**Section 2: Assessment Liabilities:** Each Lot in Sno-Cap Vista Estates shall be subject to all liens and assessments levied by the Association in accordance with its Bylaws. Each Owner shall be personally liable for all assessments levied by the Association. Subsequent owners shall not be personally liable for such unpaid assessments, but the real property shall remain subject to the lien of the unpaid assessment.

## ARTICLE 7: RESTRICTIONS ON USE OF PROPERTY

1. Sno-Cap Vista Estates is a residential development and business activities are prohibited unless the occupation is conducted in such a manner as not to give an outward appearance nor manifest any characteristics of a business in the ordinary meaning of the term nor infringe upon the right of neighboring residents to enjoy the peaceful occupancy of their homes. Lot occupancy is limited to single-family residences.
2. The use and occupancy of the premises shall be subject to zoning, building, health, sewage disposal and sanitation regulations of the State of Oregon, and all governmental agencies having jurisdiction.
3. No barb wire, picket, solid or view obstructing fences shall be used as a boundary fence. Chain link fences are not recommended. Fence colors must harmonize with the surrounding landscape or match the exterior building colors. All fences must be in compliance with the Deschutes County Code.
4. The use of painted or whitewashed rocks or trees or other type of decoration foreign to the natural environment is prohibited. Only muted stain and colors shall be permitted on all homes and supplemental buildings.
5. No more than two signs will be permitted for each Lot. One sign shall be limited to the Owner's name and/or name of residence and shall be of material that harmonizes with the natural surroundings. The second sign shall be limited to a fire number/address sign. The size, color and text of the second sign shall be determined by the current requirements of the local fire district. The fire number/address sign is required for all developed lots.
6. No tract shall be divided and sold in less than one acre parcel. There shall be only one residential water right per each of the original forty-eight parcels of land that comprise Sno-Cap Vista Estates.
7. To insure privacy to each homeowner, no building shall be constructed less than thirty (30) feet from the property lines.
8. All burning of debris in open fires requires a permit and is prohibited in closed season. In order to minimize fire hazards, a 15-20 foot low non-flammable green

area surrounding structural buildings is required. The roofs of all buildings shall be kept clear of needles, leaves and other flammable materials.

9. The accumulation of waste or solid waste on private property in such a manner as to create a public nuisance, a hazard to health or a condition of unsightliness. No rubbish or garbage may be dumped or burned on any Lot or in any area within Sno-Cap Vista Estates.

10. The keeping of livestock, fowl, or animals, except dogs and cats, shall not be permitted on the premises. Deschutes County regulations require Owners to maintain leash or voice control over their dogs at all times. Dogs or cats creating excessive noise, scattering trash or chasing people or wild animals will be declared a nuisance. Owners or occupants are responsible for the care of such pets.

11. Hunting and the shooting of firearms within the boundaries of Sno-Cap Vista Estates are prohibited.

12. Each tract of land shall have no more than one supplemental building and shall conform structurally to the existing home and be of new construction. Any home or supplemental building shall be completely finished on the outside within one year from the start of construction.

13. The minimum size of any dwelling shall be 1320 sq. ft, excluding garage, carport, patio or decks. Dwellings shall be of new construction and shall have a permanent foundation. Manufactured homes shall be skirted within sixty (60) days after being moved onto the property. All garages must have garage doors.

14. No mobile home, recreational vehicle, or travel trailer as the same as described in Definitions of Title 18 of Deschutes County Code dated 03/29/1995, or any successor of such ordinance, shall be allowed or permitted as a permanent residence on any of the Lots. Only a travel trailer, motor home or camper may be used as a temporary residence during construction of the detached single family dwelling and not to exceed eighteen (18) months.

15. Easements and right of ways are hereby specifically reserved to the Association, Sno-Cap Vista Estates and Fred B. Ramsay, et lux, their successors and assigns, for the erection, construction, operation and maintenance of power, telephone, and water systems, and for any other reasonable purpose, and any other

method of conducting and performing any public or quasi-public utility service or function.

## **ARTICLE 8: ASSOCIATION RESPONSIBILITIES**

**Section 1: General Responsibilities:** The Association shall be the entity responsible for management, maintenance, operation and control of the Common Areas. The Association, acting through the Board of Directors, shall be the primary entity responsible for enforcement of the Restated Declarations, the Bylaws, and such reasonable rules regulating use of their properties as the Board may adopt. The Association, acting through the Board of Directors, shall also be responsible for administering and enforcing the Restrictions, Protective Covenants and Conditions set forth in the Restated Declarations and in any such regulations. The Association, acting through the Board of Directors, shall perform its functions in accordance with these Restated Declarations, the Bylaws, the Articles of Incorporation, and current Oregon statutes.

**Section 1.1: Rules Committee:** The Association, acting through the Board of Directors, may establish a Rules Committee who shall adopt, design and develop guidelines and application, review, and maintenance enforcement procedures consistent with these Restated Declarants and Bylaws.

## **ARTICLE 9: GENERAL PROVISIONS**

**Section 1.** Should either party, Association or Member, take any judicial action to enforce or interpret any of the terms of the Sno-Cap Vista Estates Restated Declarations, Bylaws, or Regulations, the prevailing party shall be entitled to recover from the other party all expenses which may reasonably incur in taking such action, including attorney's fees, whether incurred in a suit or action or appeal from a judgment or decree therein.

**Section 2.** The provisions contained in these Restated Declarants shall bind and inure to the benefit of and be enforceable by the Association, the Owner or Owners of any portion of property located within Sno-Cap Vista Estates and their heirs and assignees and each of their legal representatives, and failure by the Association or by any of the property owners or their legal representatives heirs successors or



assigns, to enforce any of such conditions, restrictions, or charges herein contained shall in no event be deemed a waiver of the right to do so.

**Section 3.** These Restated Declarations, Protective Covenants and Conditions shall run with and bind the land. They shall inure to the benefit of and be enforceable by the Association or any Owner, his representatives, heirs, successors and assigns for a term of twenty-one (21) years from the date hereof, after which time said Covenants shall be automatically extended for successive periods of ten years.

**Section 4.** Any of these Covenants and Conditions may be amended upon an affirmative vote by the Owners of at least seventy-five (75) percent of the properties in the Sno-Cap Vista Estates. All such amendments shall be recorded in the deed records of Deschutes County, Oregon.

**Section 5.** Without limiting any of the provisions of these Restated Declarations, each Lot in Sno-Cap Vista Estates shall be subject to its pro-rata share of the necessary costs and expenses incurred in the maintenance of roads. Each Lot shall be subject to a lien in favor of the Owners of all other Lots for the collection of these expenses.

**Section 6.** Invalidation of any one of these Covenants or Conditions by judgment or court order shall not affect any other provision, which shall remain in full force and effect.

**Section 7.** The Secretary of Sno-Cap Vista Estates' Association shall record in the official records of Deschutes County, Oregon, a verified certification of any amendments of these Restated Declarants, Restrictions Protective Covenants and Conditions, together with such amendment(s). The certification shall state that the amendment(s) were approved by signature on the amending instrument, or by affirmative, written vote, of the owners of at least seventy-five (75) percent of the properties in Sno-Cap Vista Estates.

**AMENDED BYLAWS  
SNO-CAP VISTA ESTATES  
Deschutes County, Oregon**

**ARTICLE 1 - NAME AND LOCATION OF CORPORATION**

The name of this corporation is Sno-Cap Property Owners' Association. Its principal office is the current Secretary and the mailing address is Post Office Box 455, Sisters, Oregon 97759.

**ARTICLE II - DEFINITIONS**

**Section 1. Terms:** The following Terms when used herein shall have the following meanings unless a different meaning is plainly required by the context:

a. Sno-Cap Property Owners' Association may be appropriately referred to as Sno-Cap Vista Estates or as the "Association" with the same meaning.

b. All terms defined in the Sno-Cap Vista Estates Amended Covenants, Conditions and Restrictions (CC&Rs) shall be so defined herein.

**Section 2. Declarations:** "Protective Restrictions for Sno-Cap Vista Estates" shall include those instruments filed September 25, 1968 in Volume 161, Page 89, Deed of Records, Deschutes County, Oregon; amendments recorded on June 1, 1970, in Volume 165, Page 42, Deed of Records, Deschutes County, Oregon; "Protective Restrictions for First Addition to Sno-Cap Vista Estates" shall be that instrument filed July 23, 1971 in Volume 177 Page 659, Deed of Records, Deschutes County, Oregon; "Protective Restrictions for Second Addition to Sno-Cap Vista Estates" shall be that instrument filed January 7, 1976 in Volume 226 Page 911 Deed of Records, Deschutes County, Oregon; "Protective Restrictions for Sno-Cap Vista, First and Second Additions" shall be that instrument filed November 15, 1993 in Volume 319 page 0196; and those "Amended Covenants, Conditions and Restrictions" adopted by the Association July 15, 2000 and recorded herewith.

**ARTICLE III - MEMBERSHIP**

**Section 1. Members:** Members of the Association shall be every Owner in Sno-Cap Vista Estates. There shall be no other qualification for membership.

Membership shall terminate upon the transfer of a fee simple title to a Lot or the contract of purchaser's interest by a contract purchaser.

**Section 2. Place of Membership Meetings:** Meeting of the Members shall be held at suitable place convenient to the Members as may be designated by the Board of Directors.

**Section 3. Annual Membership Meetings:** The annual meeting of the Members may be held on the last Saturday of June of each year at a suitable place convenient to the Members as may be designated by the Board of Directors.

**Section 4. Annual Meeting Notice:** Not less than thirty (30) nor more than fifty (50) days prior to a meeting, the Association Secretary shall cause notice to be hand delivered or mailed to the mailing address of each Lot or to the mailing address designated in writing by the Owner. The notice shall state the time and place of the meeting and the items on the agenda.

**Section 5. Special Meetings:** Special Meetings of the Members may be called at a convenient time and place by the President of the Board of Directors upon resolution by the Board of Directors, or a written request by twenty-five (25) percent of the vote of the Association Lots as represented by the Owner or joint Owners.

**Section 6. Quorum:** The minimum quorum required for the transaction of business at all membership meetings is the number of votes present.

**Section 7. Voting; Proxy Voting:** The Vote of a Lot may be cast in person, by absentee ballot or pursuant to a proxy executed in writing and filed with the Association Secretary by the Lot Owner. If the Lot is held in joint ownership, the vote for each Lot shall be exercised as among themselves determine.

## **ARTICLE 1V - BOARD OF DIRECTORS**

**Section 1. Role:** The business, property and affairs of the Association shall be managed by a Board of Directors as provided in the Articles of Incorporation

**Section 2. Number and Qualifications:** The Board of Directors shall be composed of five (5) persons elected Directors, and two (2) persons elected Alternates. The Directors and Alternates must be members of the Association.

**Section 3. Terms:** The Membership shall elect five directors, each of which shall serve a two-year term, with two (2) being elected on odd numbered years and three (3) being elected on even numbered years. All terms commence immediately upon election and expire at the conclusion of the Annual Meeting two (2) years following.

**Section 4. Vacancies:** The Board of Directors shall have the power to fill vacancies in its own membership by a vote of majority of the remaining directors. Such new membership shall serve the unexpired term until the next Annual Meeting of the Corporation.

**Section 5. Absences:** A member of the Board of Directors who is absent without reasonable excuse for three consecutive meetings or for more than half the meetings in any calendar year, may be removed from office by a majority vote of the directors present at a Regular or Special Meeting provided that the affected Director has been notified in writing prior to the meeting.

**Section 6. Compensation:** No Director shall receive any compensation for any service rendered to the Corporation as a Director. However, any Director may be reimbursed for actual expenses incurred in the performance of their duties as Director, or may receive compensation for services to the Association in a capacity other than as a Director.

**Section 7. Conflicts of Interest:** Occasionally a member of the Board of Directors business or personal relationship may give rise to a material interest that conflicts, or appears to conflict, with the interest of the Association. The Board will take appropriate steps to ensure that all Directors voting on an issue are disinterested. In appropriate cases, the affected Director will be excused from discussions on the issue.

**Section 8. Manner of Election:** The election of a Board of Directors and President and Vice President from among the Members shall be by ballot vote of Members or their proxies. The Director shall be elected by a plurality of the votes cast by ballot. The Membership shall elect annually a President and Vice-president.

The Board of Directors shall select from the membership an Association Secretary/Treasurer and a Sno-cap Water System Treasurer.

Prospective Directors will run for a specific vacancy. After nominations from the floor at the Annual Meeting of Members, a ballot vote will be taken of all Members or their proxies for each vacancy. The person receiving the majority of the votes for each vacancy shall be elected. Voting may be by a show of hands unless a Member request that written ballots be used. The Membership shall elect annually from the membership a President and a Vice-president. The Board of Directors shall elect from the entire membership a secretary and two treasurers, one for the water system and one for the Association

## **ARTICLE V. MEETINGS OF THE BOARD OF DIRECTORS**

**Section 1. Frequency of Regular Meetings:** The Board of Directors will meet semi-annually whenever possible, including immediately after the Annual Membership meeting, at such place and time as the Board of Directors shall designate. Immediately after each annual meeting of the members, the directors elected at such meeting and those holding over shall hold a meeting for the purpose of electing officers as herinafter provided and for the transaction of such other business as may come before the meeting. No prior notice of such meeting shall be required to be given to the Directors.

**Section 2. Special Meetings:** Special meetings may be called by the President at the request of at least two Directors, or at the President's discretion. These special meetings may be held at such reasonable times and places as the President may determine and shall be limited to only those items of business described in the notice of such special meeting.

**Section 3. Notices:** For other than emergency meetings, notice of Board of Directors' meetings shall be posted at a place or places on the property at least three (3) days prior to the meeting or notice shall be provided by a method otherwise reasonably calculated to inform Lot Owners of such meetings. Emergency meetings may be held without notice, if the reason for the emergency is stated in the minutes of the meeting; and only emergency meetings of the Board of Directors may be conducted by telephonic communication.

**Section 4. Quorum:** A quorum at a Board of Directors meeting shall be a majority of the number of Directors prescribed in office immediately before the meeting begins.

**Section 5. Action Without Meeting:** Any action required or permitted to be taken by the Board of Directors under any provision of law or these Bylaws may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such written consent shall have the same force and effect as a unanimous vote of such Directors and shall be *prima facie* evidence of such authority.

## ARTICLE VI - POWERS AND DUTIES OF BOARD

**Section 1. General Powers:** The Board of Directors shall have the right to exercise all powers, duties and authority vested in or delegated to the Corporation, and not reserved to the Membership by provisions of these Bylaws, the Articles of Incorporation, and the Restated Protective Covenants and Conditions Sno-Cap Property Owners Association and Sno-Cap Vista Declarations.

**Section 2. Regular Annual Assessment:** The Board of Directors shall, after full consideration of current maintenance and operating costs of the Association, set the regular annual assessment at an amount sufficient to cover such costs. Such amount shall also cover the funding of a proper and adequate reserve for contingencies and to maintain the Association's infrastructure. On or before June 15th of each year, the Board shall determine the amount of the assessment to be imposed during the ensuing fiscal year and shall notify all Members the amount of such assessment to be imposed. The amount of such assessment may, at the sole discretion of the Board, be increased by up to a maximum of six (6) percent above the amount of the regular annual assessment imposed during the proceeding year. Authorization for any regular annual assessment increase in excess of the above maximum must be obtained from the Association's Membership utilizing the procedure specified for approval of special assessments within this section.

The Board shall have the power, as more fully provided in Article VI of the Restated Declarations of Sno-Cap Vista Estates, to fix the amount of the regular annual assessment against each Lot, on or before June 15th of each year, and give

the Owner subject thereto written notice of such assessment at least sixty (60) days prior to the due date thereof, and to cause to be prepared a roster of properties subject to assessment with assessments applicable to each such property and to keep such roster in the Association's principle office available for inspection by any Owner.

**Section 2.1. Special Assessments:** Prior to fixing any assessment other than the regular annual assessment described in Article VI, Section 2., the Board of Directors shall mail notice of its intention to assess each Lot Owner. The notice shall explain the purpose of the assessment, a statement of need, a cost estimate, and the amount of the proposed special assessment against each Lot. Membership approval must be obtained by ballot or by petition. If by ballot, approval of a majority of those voting is required.

**Section 2.2. Water Assessment:** Water rates will be determined by the Board of Directors. Adjustments may be charged to reflect overhead including utility rates, capitol improvements and maintenance costs. The total charges for water services are to be used solely for continuity of the water system service.

In the event that a property owner rents or leases his property, it is the property owners responsibility to notify the Sno-Cap Water System, in writing, that renters will be occupying their residence, and to notify the renters that they will need to pay a deposit of \$50.00 prior to occupancy. This shall be returned to them at the termination of service, providing that they do not owe money to the system. Failure to notify the water system obligates the property owner to be responsible for the water bill.

Bills are due when presented and are past due on the tenth (10th) of the following month.

Any bill outstanding sixty (60) days will receive a disconnect notice. Disconnect notice will be sent ten (10) days prior to disconnect day. The disconnect notice will be the only required notice.

To re-establish water after a disconnect, the bill must be brought current and a \$50.00 reconnect fee must be paid before service is reestablished.

**Section 2.3. Non-payment of Assessment:** In the event of non-payment of an Assessment, the Board of Directors may direct the Association's Treasurer to file in the office of the Deschutes County Clerk within one hundred twenty (120) days after such delinquency, a statement of delinquent assessment, together with administrative cost, interest and the cost of filing and the release of the lien. The Treasurer will be instructed to apply a rate of interest of twenty (20) percent annually accruing from the date the assessment became delinquent and continuing until final payment of the assessment. Such lien may be enforced by the Association in the manner provided by law with respect to liens upon real property. Without limiting the generality of the foregoing, the Association may sue each delinquent Lot Owner of record at the time of the debt. If an assessment is payable in installment, the full amount of the assessment is a lien from the date the first installment of the assessment becomes due and continues until final payment of the assessment.

**Section 3. Enforcement:** The Board shall have the authority to make and enforce reasonable Rules and Regulations governing the conduct, use, and enjoyment of Lots and Common Areas, provided that copies of all such Rules and Regulations be furnished to all Owners. However, any rule or regulation may be repealed by the affirmative vote of two-thirds (2/3) of the eligible Members of the Association at an annual or special meeting at which the repeal of any rule or regulation is to be considered by the Members. Notice of any such meeting shall state that the repeal of any such rule or regulation shall be considered and voted on at such annual or special meeting.

**Section 3.1. Fines:** The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Lot. In the event that any occupant of a Lot other than the Owner violates the Sno-Cap Vista Estates Declarations, Bylaws, or Regulations, and a fine is imposed, the fine shall first be assessed against such occupant. However, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Association. Any unpaid fine shall be processed to become a lien upon the Lot.

**Section 3.2. Procedure:** The Board shall not impose a fine (a late charge shall not constitute a fine) until the following procedure is followed:

**a. Notice.** In the event a Rule or Restriction contained in the Sno-Cap Vista Estates Declarations, Bylaws, or Regulations is violated, the Board shall serve the



violator and Owner (if different from violator) with written notice sent by certified mail return receipt requested to the violator and Owner, which shall contain:

1. the nature of the alleged violation;
2. the proposed sanction to be imposed;
3. a statement that the violator may challenge the fact of the occurrence of a violation, the proposed sanction, or both;
4. the name, address, and telephone number of a person to contact to challenge the proposed action; and
5. a statement that the proposed sanction shall be imposed not less than ten (10) days from the date of the notice.

**b. Hearing.** If the alleged violator challenges the proposed action within the time period allowed, a hearing before the Board shall be held in executive session affording the alleged violator a reasonable opportunity to be heard. The hearing shall be set and notice of the time, date (which shall not be less than ten (10) days from the giving of notice), and place of the hearing and an invitation to attend the hearing and produce any statements, evidence, and witnesses shall be sent to the alleged violator. Prior to the effectiveness of any sanction hereunder, proof of notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or designated agent who delivered such notice. The notice requirement shall be deemed satisfied if a violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any imposed.

**Section 5. Duties of the Board of Directors:** It shall be the duty of the Board of Directors to:

- a. cause to be kept a complete record of all of its acts and proceedings of its meetings and to cause to be presented at the annual meeting of the Members a report reviewing the business and affairs of the Association for the past year;
  - b. procure and maintain adequate insurance on property owned, leased, or otherwise used by the Association;
  - c. cause, in its discretion, all officers or employees having fiscal responsibilities to be bonded with sufficient surety for the faithful performance of their official duties with the premium on such bond to be paid by the Association;
  - d. perform all other responsibilities given to it by the Sno-Cap Declaration;
- and
- e. perform all other powers and duties granted by law.

**Section 6. Liability and Indemnification of Directors:** The Directors shall not be liable to the Association or the Lot Owners for any mistake of judgment, negligence, or otherwise except for their own willful misconduct or bad faith. The Association shall indemnify and hold harmless each Director, the Manager or Managing Agent, Employees, Committee Members and other volunteers, if any, against all contractual liability to others arising out of contracts made by the Board, Manager, or Managing Agent on behalf of the Association unless any contract shall have been made in bad faith or contrary to the provisions of the Declaration for Sno-Cap Vista Estates filed herewith or of these Bylaws. Each Director, the Manager or Managing Agent, Employee or volunteer if any, shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred or imposed upon them in connection with any proceeding to which they may be a party, or in which they may become involved, by reason of being or having been a Director, Manager, Managing Agent, Employee or volunteer, and shall be indemnified upon any reasonable settlement thereof. However there shall be no indemnity if the Director, Manager, Managing Agent, Employee or volunteer is adjudged guilty of willful nonfeasance, misfeasance, or malfeasance in the performance of thier duties.

## **ARTICLE VII - OFFICERS: ELECTIONS AND DUTIES**

**Section 1. Specified Officers:** The officers of the Association shall be a President, Vice President, Secretary, Association Treasurer and Water Treasurer. The Secretary and two Treasurers shall be elected by the Board of Directors from the entire Membership. If so desired by the Board of Directors, the offices of Secretary and the Treasurer for the Association may be combined under one director as Secretary-Treasurer. All officers shall be non-voting members of the Board of Directors. All officers shall serve for one year or until their successor is elected and qualified.

a. **President.** The President shall preside at all meetings of the Board of Directors; shall appoint the members of all committees, and shall be an ex-officio member of all such committees; shall sign papers as may be required by the office or as may be directed by the Board of Directors; shall make such reports and recommendations to the Board of Directors and to the Members of the Association at any regular or special meeting concerning the work and affairs of the Association as in his/her judgment may be necessary for their information and guidance; may

require such reports from the Treasurer and Secretary as in his/her judgment are necessary; and shall perform such other duties as may be incidental to the office.

b. Vice-President. The Vice-President shall take the place of the President and perform duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board will appoint some other Board Member to do so on an interim basis. The Vice-President shall also perform such other duties as may be delegated by the Board.

c. Secretary. The Secretary shall issue in writing, or in person, all notices of meetings of Members of the Association and of the Board of Directors; notify individuals elected to the Board of Directors and to Membership in the Association; keep an accurate record of attendance at annual and special meeting of Members; keep an accurate record of attendance of meetings of the Board of Directors; prepare and issue minutes of all meetings of the Board of Directors; furnish the nominating committee with a roster of members and a list of directors and officers and the date their term expires; provide custody of all records and papers as shall be kept by the Secretary as herein provided; sign such papers as may be required by the office of Secretary or as directed by the Board of Directors; and perform such other duties as may be incidental to the office.

d. Association Treasurer. The Treasurer shall receive all moneys of the Association and have custody thereof. Under the direction of the Board of Directors, the Treasurer shall deposit the funds of the Association in one or more banks selected by the Board of Directors to be disbursed in accordance with the direction of and upon the signatures of persons designated by the Board of Directors. The Treasurer shall keep a full account of all moneys received and paid out and shall make such reports thereof to the President and Board of Directors as they may require receive and have custody of all deeds, securities, notes, contracts and other financial papers of the Association and shall place them for safe keeping in the safe deposit vaults of a bank designated by the Board of Directors and under such rules as to access as such Board of Directors shall determine; keep full accounts of all deeds, securities, notes and financial papers of the corporation and make such reports thereof to the President and Board of Directors as they may require; cause the books of account of the Corporation to be audited at least once annually by a public accountant or an audit committee as deemed necessary by the Board of Directors; and present at each annual meeting of the Members of the Association a comprehensive financial statement including the report of the accountant and/or audit committee. The Treasurer shall sign such papers as may be required by the office or as may be directed by the Board of Directors, and shall

perform such other duties as may be incidental to the office. The Treasurer may be required by the Board of Directors to give such bonds as they shall determine for the faithful performance of the duties of treasurer.

c. Sno-Cap Water System Treasurer. The Treasurer shall be responsible for the care and custody of all Sno-Cap Water System funds and shall ensure that such funds are deposited in the name of the Association in such banks as the Board may designate; shall make, sign and endorse in the name of the Association all checks, drafts, notes and other orders for the payment of money; and further shall perform all duties incident to the office which the Sno-Cap Water Treasurer normally performs or as may be directed by the Board of Directors, and shall perform such other duties as may be incidental to the office.

## ARTICLE VIII - STANDING AND SPECIAL COMMITTEES

**Section 1. Appointment:** The Board shall appoint such Committees as its discretion deems necessary to assist in the operation of the affairs of the Association. Such Committees shall exercise all powers and be subject to all duties which the Board shall give them. Committee Members need not be members of the Board but shall be Members of the Association. A majority of the Members of the Committee shall establish its procedures.

**Section 2. Membership:** All committees shall consist of at least two (2) members of the Association.

**Section 3. Rules/Architectural Committee:** As provided in Article 8, Section 1.1 of the Restated Declarants, there may be a Rules/Architectural Committee of three (3) members; such persons shall be Members of the Association. All Members of the Committee shall be appointed by the Board of Directors and shall serve and may be removed at the discretion of the Board.

## ARTICLE IX - ASSOCIATION RECORDS, REPORTS AND AUDIT

**Section 1. Records:** The Association shall maintain adequate and correct accounts, books and records of its business and properties. All such books, records and accounts shall be kept at its principal place of business in the State of Oregon as fixed by the Board of Directors from time to time.

**Section 2. Inspection of Books and Records:** The books, records and papers of the Association shall, during reasonable business hours, be subject to inspection for any proper purpose by any Member of the Association, or his or her authorized agent at the Associations principle place of business. Copies of all documents may be made by any Member or his agent upon payment to the Association of the reasonable cost thereof.

**Section 3. Audit:** The books of the Association and of the Sno-Cap Water System shall be audited at least once each year prior to the annual meeting by a public accountant and/or an Association Audit Committee appointed by the Board of Directors. In the event of a change in the holder of either the office of the Association Treasurer or Sno-Cap Water System Treasurer an audit shall be by a quorum of the Board of Directors. A Special Audit shall be made at any time upon order of the Board of Directors or upon a majority vote of the Members, at any regular or special meeting.

**Section 4. Contracts:** The Board of Directors, except as in the Bylaws otherwise provided, may authorize any officer or officers, agent or agents to enter into any contract or execute any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or to any amount.

**Section 5. Execution of Instruments:** The Board will designate signatories along with the Association Treasurer and Sno-Cap Water System Treasurer on all bank accounts and time deposits. All notes, bonds, acceptances, deeds, leases, contracts, and other instruments shall be signed by the Secretary or designated Board Member. Such person or persons will be designated by formal motion, confirmed annually, by the Board, and in the absence of any such designation applicable to any such instrument, then such instrument shall be signed by the President.

## ARTICLE X - AMENDMENT

These Bylaws can be amended only upon the affirmative vote of not less than fifty-one (51) percent of those Members voting. Before a vote upon an amendment of Bylaws, thirty (30) days written notice of the proposed change shall be given to

each Member at his address as posted in the office and records of the Association. It shall be the obligation of each Member to keep a current address so posted.

## ARTICLE XI - MISCELLANEOUS

**Section 1. Regulation of Meetings:** The current edition of Robert's Rules of Order of Parliamentary Procedure shall govern this Association in all parliamentary situations that are not provided for in Oregon State Statutes, Bylaws or adopted rules.

**Section 2. Notices:** All notices to the Association or to the Board of Directors shall be sent to the principal office of the Association, or to such other address as the Board of Directors may designate from time to time. All notices to any Member shall be sent to such address as may have been designated by the Member from time to time in writing to the Board of Directors.

**Section 3. Waiver:** No restriction, condition, obligation, or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

**Section 4. Invalidity; Number; Caption:** The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws. As used herein, the singular shall include plural, and the plural the singular; the masculine and neuter shall each include the masculine, feminine and neuter as the context requires. All captions used herein are intended solely for convenience of reference and shall in no way limit any of the provisions of these Bylaws.

**SNO-CAP PROPERTY OWNERS' ASSOCIATION**  
Post Office Box 455  
Sisters, OR 97759

**Secretary's Certification**

I, Marlene A. Shuey, being first duly sworn upon oath, depose and say:

1. I am the duly elected Secretary of the Property Owners' Association of Sno-Cap, Deschutes County, Oregon.

2. The foregoing Covenants, Conditions and Restrictions and Bylaws of Sno-Cap Property Owners' Association were amended in a regular meeting of the Association Membership held July 15, 2000.

3. The agenda and minutes for that meeting are maintained in the official records of the Sno-Cap Property Owners' Association.

Marlene A. Shuey, Secretary

State of Oregon )  
County of Deschutes ) ss.

SUBSCRIBED AND SWORN to before me this 27<sup>th</sup> day of December 2000.

Sandra Zielinski  
Notary Public for Oregon  
My Commission Expires: 1/03/01

