

# MIDDLE CRAWFORD ROAD ASSOCIATION

# MCRA BYLAWS

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## BYLAWS OF MIDDLE CRAWFORD ROAD ASSOCIATION (A Nonprofit Washington Corporation)

### Article I Name and Location

The name of the association is MIDDLE CRAWFORD ROAD ASSOCIATION.

### Article II Definitions

Section 1: Association shall mean and refer to its successors and assigns.

#### Definitions

Section 2: Properties. Properties shall mean and refer to lots adjacent to certain real property known as Crawford Road, which is shown on the map, marked **Exhibit "A"**, attached hereto and incorporated by this reference. The northern boundary includes those properties, commencing 0.31 miles south of the intersection of Crawford Road and Brooks Hill Road, beyond the area marked on Exhibit A as "end of county road." These are specifically Parcel no. R32904-300-062 (SW 1/4 of the SW 1/4 of the NW 1/2 of Section 4, Township 29 North, Range 3 East W.M. in Island County, State of Washington) and Parcel no. R32905-329-539 (South half of the SE 1/4 of the NE 1/4 of Section 5, Township 29 North, Range 3 East, W.M., beginning at NE corner of S 1/2 of SE 1/4 of the NE 1/4; thence South along the East Boundary of said South 1/2 of the SE 1/4 of the NE 1/4 200 ft.; thence West 200 ft. thence North 200 feet to the North boundary of said S 1/4; thence East along said North boundary to the point of beginning, Island County, State of Washington). The southern boundary of properties affected by this agreement commences a short distance north of SR 525, specifically at Parcel no. R32908-068-400 E 1/2 of SW 1/4 of the SE 1/4; and that portion of the SW 1/4 of the SE 1/4 lying westerly of the centerline of right of way known as "Crawford Road", in Section 8, Township 29 North, Range 3 East, W.M., Island County, State of Washington) and Parcel no. R32908-050-465, which is now nos. R32908-068-464 and R32908-020-469 (Portion of the SE 1/4 of the SE 1/4 lying Easterly of the Centerline of Right of Way known as "Crawford Road", in section 8, Township 29 North, Range 3, East of Willamette Meridian, Island County, State of Washington)

A lot shall mean any parcel of land adjacent to Crawford Road as shown on Exhibit "A" and any parcel whose sole access by road is Crawford Road, including Forest Lane.

Section 3: Lot. Lot Shall mean any parcel of land adjacent to Crawford Road as shown on Exhibit "A" and any parcel whose sole access by road is Crawford Road.

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Section 4: Owner. Owner shall mean the record fee title owner or owners of any lot that conforms to Section 3 above, excluding those persons whose interest is that of a real estate contract vendor or beneficiary on a deed of trust or mortgage, or other persons having a security interest only in the lot.

Section 5: Member. Member shall mean a member of this association who has agreed to pay dues as levied by this association in accordance with these by-laws, and who has made that member's land subject to the payment of dues as prescribed in these by-laws by signing a declaration in the form shown in **Exhibit B**.

### **Article III**

#### **Purpose**

Section 1: The sole purpose of this Association shall be to provide for maintenance of Middle Crawford Road. This will include:

- a) posting and enforcing to the best of its ability load limit restrictions on the road (including lower “freeze and thaw” load limits) consistent with those used by Island County for roads of this type.
- b) posting and enforcing to the best of its ability weight restrictions that require the owner or operator of heavy vehicles (with GVW restrictions to match Island County standards for roads of this type) using or working on the road to repair any damage caused by such vehicle. All property owners engaging or using heavy vehicles must give the Association 7-days advance notice. Any property owner who engages a heavy vehicle shall also be liable for damage to the road caused by such vehicle.

Section 2: Additional purposes beyond that described in Article III, Section 1 may be undertaken, provided that such statement of additional purposes is approved by a two- thirds (2/3) majority vote of the membership of this association

### **Article IV**

#### **Meetings of Members**

Section 1: Annual Meetings. Annual meetings of the Association shall be held once a year, the exact date and time to be determined by the Board of Directors. Subsequent annual meetings of the members shall be determined in the same manner.

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Section 2: Special Meetings. Special meetings of the members may be called at any time by the President, a majority of the Board of Directors or by owners having ten (10) percent of the votes in the Association.

Section 3: Notice of Meetings. (Regular or Special) Not less than 14, nor more than 60 days, in advance of any meeting, the secretary or other officers specified in the by-laws shall cause notice to be hand-delivered or sent prepaid by first class United States mail to the mailing address of each owner or to any other mailing address designated in writing by the owner. The notice of the meeting shall state the time and place of the meeting and the business to be placed on the agenda by the Board of Directors for a vote by the owners, including, but not limited to, the general nature of any proposed amendments to the Articles of Incorporation, By-Laws, or any budget or changes in the previously approved budget that results in a change in assessment obligation.

Section 4: Quorum. A quorum is present throughout any meeting of the Association if the owners to which 34% of the votes of the Association are allocated are present in person or by proxy at the beginning of the meeting.

Section 5: 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 in writing and shall automatically cease upon conveyance by the member of his lot.

### **Article V**

#### **Board of Directors**

Section 1: Number. The affairs of this association shall be managed by a board of three (3) directors, who shall be members of the Association.

Section 2: Terms of Office. At the first annual meeting, the members shall elect three (3) directors, each to serve a minimum term of one year. One director shall serve as President, for a term of one year; one as Secretary, for a term of one year; and one as Treasurer, for a term of two years. Directors shall be elected as required to fill vacancies. Directors may serve more than one term of office.

Section 3: Removal. Any director may be removed from the board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation, or removal of a director, his successor shall be selected by a majority vote of the Association and shall serve for the unexpired term of his predecessor. A special meeting may be called at the discretion of the remaining directors to fill a vacancy or vacancies.

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Section 4: Compensation. No director shall receive compensation for any service he/she may render to the Association. However, any director may be reimbursed for his/her actual expenses incurred in the performance of duties.

Section 5: Action. Action taken by any director shall be done so with the agreement of a majority of the Board members.

Section 6: Meetings. 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 director. The Board shall meet a minimum of two (2) times per year.

Section 7: 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.

Section 8: 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 a statement to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-third (1/3) of the members.
- (b) Supervise agents and contractors of this Association in maintenance of the road to see that their duties are properly performed.
- (c) Propose the amount of the annual assessment based on projected expenses to be levied against each lot at least thirty days in advance of each annual meeting.
- (d) Send written notice of each proposed assessment to every owner subject thereto at least thirty days in advance of each annual meeting.
- (e) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action of law against the owner personally obligated to pay the same.
- (f) Issue, or to cause an appropriate officer to issue, upon demand by any, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
- (g) Determine the need to procure and maintain adequate liability and hazard insurance

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on property or equipment owned by the Association and personal liability for the Board of Directors collectively and individually.

(h) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

(i) Cause the road to be maintained in a safe, drivable condition year-round, to the limits of the Association's funds collected for this purpose.

(j) All major expenses must be approved by a majority vote of the Board.

(k) The Board shall have no power to incur indebtedness without the specific approval of the membership at an annual or special meeting. All transactions shall be limited to cash on hand in the Association treasury. Every effort should be made to maintain the bank balance at or above \$100.00.

(l) Be responsible for recognition and enforcement of the Homeowners Association law as expressed in RCW 64.38. In particular, the Board should comply with RCW 64.38.025(3) with regard to the adoption of a budget. Within 30 days after adoption by the Board of Directors of any proposed regular or special budget of the Association, the Board shall set a date for a meeting of the owners to consider ratification of the budget, not less than 14, nor more than 60 days after mailing of the summary. Unless at that meeting the owners of a majority of the votes in the Association reject the budget, in person or by proxy, the budget is ratified whether or not a quorum is present. In the event the proposed budget is rejected, or the required notice is not given, the periodic budget last ratified by the owners shall be continued until such time as the owners ratify a subsequent budget proposed by the Board of Directors.

(m) All meetings of the Board of Directors shall be open for observation by all members of record or their authorized agent, except as provided in this sub-section. The Board of Directors shall keep minutes of all actions taken by the Board, which shall be available to all owners. The Board of Directors may convene in closed executive session to consider personnel matters; consult with legal counsel, or consider communications with legal counsel; and discuss likely or pending litigation, matters involving possible violation of the governing documents of the Association, and matters involving the possible liability of an owner to the Association. Reference to the stated purpose for the closed session shall be included in the next general meeting minutes. The Board of Directors shall restrict the consideration of matters during the closed portions of meetings only to those purposes specifically exempted and stated in the minutes. No motion or other action adopted, passed or agreed to in closed session may become effective unless the Board of Directors, following the closed session, reconvenes in open meeting and votes in the open meeting on such motion, or other action which is reasonably identified. The requirements of this sub-section shall not require the disclosure of information in violation

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of law or which is otherwise exempt from disclosure.

(n) The Board of Directors of MCRA shall keep financial and other records sufficiently detailed to enable the Association to fully declare to each owner the true statement of its financial status. All financial and other records of the Association, including but not limited to checks, bank records and invoices, in whatever form they are kept, are the property of the Association. Each Association officer or managing agent shall turn over all original books and records to the Association immediately upon termination of the officer or management relationship with the Association, or upon such other demand as is made by the Board of Directors of MCRA. An Association officer or managing agent is entitled to keep copies of Association records. All records which the managing agent has turned over the Association shall be reasonably available for the examination and copying by the managing agent.

(o) All records of the Association, including the names and addresses of owners and other occupants of the lots, shall be available for examination by all owners, holders of mortgages on the lot and their respective authorized agents on reasonable advance notice during normal working hours at the offices of the Association or of the treasurer or its managing agent. The Association shall not release the unlisted telephone number of any owner. The Association may impose and collect a reasonable charge for copies and any reasonable costs incurred by the Association in providing access to records.

(p) At least annually, the Board of Directors shall prepare or cause to be prepared, a financial statement of MCRA, available to members upon request. If the annual assessment of MCRA amounts to \$50,000 or more, the financial statements of MCRA shall be audited at least annually by an independent certified public accountant. The audit may be waived if 67% of the votes cast by owners, in person or by proxy, at a meeting of the Association at which a quorum is present, vote each year to waive the expense of an audit.

(q) The funds of MCRA shall be kept in accounts in the name of MCRA and shall not be co-mingled with the funds of any other Association, nor with the funds of any manager of the Association or any other person responsible for the custody of such funds.

### **Article VII**

#### **Officers' Duties**

Section 1: President. The President shall preside at all meetings and shall see that orders and resolutions of the Board are carried out; shall sign all written instruments and shall co-sign all checks greater than \$300.00

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Section 2: Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; 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 duties as required by the Board.

Section 3: Treasurer. 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, keep proper books of account 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 members at the meeting.

### **Article VIII Committees**

Section 1: The Board of Directors shall appoint committees as deemed appropriate in carrying out its purpose.

### **Article TX Assessments**

Section 1. Method. The members of The Association and the lots which they own, and as to which a member has signed a declaration consistent with Exhibit "B" shall be liable for the payment of such assessments as may from time to time be fixed and levied by the Board of Directors pursuant to these Bylaws and subject to the provision of these Bylaws. The amount of such assessment shall be levied by the Board of Directors on an equitable basis. Maintenance assessments shall be based on the volume of traffic generated by each lot.

Section 2. Obligations. When any such assessments in this article are levied, each member shall pay the amount of such assessment against the property described in Exhibit B to the Association, at its offices within thirty (30) days after the mailing of the notice of such assessment to the member. Members also can, through arrangement with the Treasurer or any member of the Board, arrange alternative payment arrangements, as noted in Section 3. The amount of such assessment, together with all expenses, attorney's fees, and costs reasonably incurred in enforcement of same, shall be paid by the members and shall be a lien upon said land superior to any and all other liens created or permitted by the owner of such land, except that of a first mortgage or deed of trust or real estate contract and enforceable by foreclosure proceedings in the manner provided by law for the foreclosure of deeds of trust upon land, provided that no proceedings for the foreclosure of any said liens in this Article IX shall be commenced except upon the expiration of four (4) months from and after the date of mailing assessment notices.

Section 3. Alternative Payment Method. Members may request, in writing, to pay the annual assessment fee in equal installments over a period of time not to exceed 12 calendar months.

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Section 4. Minimum. Annual assessment shall not be less than \$100.00. This minimum shall in no way inhibit the Board from requesting greater assessments to cover Association expenses.

Section 5. Penalties. Members of MCRA who have not paid assessments will not be allowed to use Crawford Road. If such a lot is sold, the same restrictions will apply to the new owners unless, or until an amount of money equal to the amount of the assessment has been paid to the Association.

### **Article X Amendments**

Section 1. These Bylaws may be amended, altered, changed or repealed and new Bylaws may be adopted by recommendations of the Board of Directors, which are then approved by the Association's general membership at any regular or special meeting of the Association, except that the provision found in Article IX, Section 2, hereof provided for the lien priority of a first mortgage, first deed of trust or first real estate contract. Each member of MCRA shall be notified in advance of said meeting of any proposed Bylaw amendments, with sufficient notice as outlined in Article IV of these Bylaws, and will have an opportunity to respond by proxy ballot or in person at said meeting. Proxy ballots on proposed bylaw changes will be considered at the next General Meeting held for that purpose and added to the vote taken at that meeting. Proxy ballots not received by that date cannot be counted. Any Bylaw changes must be approved by a quorum of members present or by proxy, as noted in Section 4 of Article 4 of these Bylaws.

### **Article XI Close of Membership**

Section 1. The membership of MCRA shall become fixed as of the date of recording for these bylaws with the Island County Recorder. All members of MCRA as of that date, shall be considered charter members of MCRA.

### **Article XII Late Arriving Members**

Section 1. In the event an owner of a lot has joined the Association after this date, such "late arriving member" may join MCRA by doing all of the following:



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a). Signing a certificate of membership, in the form shown in Exhibit "B", attached hereto, and incorporated herein by this reference, subjecting such late arriving member's lot to the assessments and Bylaws of MCRA.

b) By paying the dues for the current year.

c) By agreeing to pay an additional assessment, IF NECESSARY, to cover any extraordinary use of Crawford Road for purposes of logging, construction or any other development of new member's properties. This amount will be set by the Board of Directors, based on anticipated additional costs for maintaining Crawford Road that such activity will entail for the Association. In setting such assessment, the Board shall consider the length of time the late-coming member has resided on a lot as defined by Article II, Section 3, and whether the late-comer's predecessor in title has been a member of MCRA, and any other consideration which would result in a fair additional assessment on such late-coming member.

### Section 2:

The following late arrive fees apply only to new members required by Island County to join the Association. These are set out in both the bylaws and the Crawford Road. Improvement Agreement as follows:

a) for constructing a commercial or other major building:	\$ 5,000.00
b) for creating a commercial short plat, per each additional lot:	\$ 5,000.00
c) for creating a residential short plat, per each additional lot:	\$ 2,500.00

### **Article XIII** **Fiscal Year**

The fiscal year of MCRA shall be the calendar year.

### **Article XIV** **Dissolution of MCRA**

MCRA shall terminate its existence on the date Island County agrees to take over the maintenance of the portion of Crawford Road used by the properties shown in Exhibit "A" ; or by a vote of 90% percent of MCRA, its members voting in person or by proxy at a special meeting called for the purpose of considering the dissolution of MCRA.