

Dec 25 10 53 AM  
RECEIVED  
STATE OF COLORADO

1635

ARTICLES OF INCORPORATION OF THE STATE

OF 331546

REDHILL FOREST PROPERTY OWNERS,  
MUTUAL WATER AND CATTLE ASSOCIATION

For the purpose of forming a corporation not for profit pursuant to the provisions of The Colorado Nonprofit Corporation Act, Articles 20-29, Title 7 of Colorado Revised Statutes 1973, the undersigned, as incorporator, has made, signed and acknowledged the following certificate:

ARTICLE I

Name

The name of the corporation shall be REDHILL FOREST PROPERTY OWNERS, MUTUAL WATER AND CATTLE ASSOCIATION, hereinafter called the "corporation" or "association".

ARTICLE II

Duration

The period of duration of this corporation shall be perpetual.

ARTICLE III

Purpose

The objects and purposes for which the corporation is formed are as follows:

A. To promote the health, safety and welfare of the members who are the owners of the portion of the hereinafter described real property hereafter platted into Redhill Forest, hereinafter called the "properties."

B. To be and constitute the association to which reference is made in the Declaration of Covenants, Restrictions, Easements, Charges and Liens for Redhill Forest which are to be recorded in the records of Park County, Colorado (hereinafter called the "General Declaration").

This document alone does not constitute Full Resale Disclosure Required under Colorado State Law.

C. To assume and perform all obligations and duties of the association and to exercise all rights and powers of the association, as specified in the aforesaid Declaration. This corporation hereby assumes and accepts all such obligations and duties and hereby covenants with each person and entity who may own or hold a membership in this corporation to perform and discharge all of said duties and obligations.

D. To provide an entity for the furtherance of the interests of all or any group of owners of the Properties, pursuant to the aforesaid General Declaration.

E. To develop, operate, manage, maintain, extend and improve a raw water and potable water system, to contract with its members for the providing of water service therefrom, and to contract and provide for extensions of electric service by the public utility providing the same, and to provide for, such other services typically provided by municipalities and/or special improvement districts in the State of Colorado as shall be undertaken by the association. The corporation shall take its water and supply the same to property owners within Redhill Forest through wells located in Park County, Colorado, as follows:

<u>Name of Structure</u>	<u>Description of Point of Diversion</u>
Well D-1	Said well is located in the NW 1/4 SE 1/4 of Section 19, Township 10, South, Range 76 West of the 6th P.M. at a point bearing south 17°23'47" east of the north quarter corner of ss. Section 19, a distance of 3336.94
Well D-2	Said well is located in the SW 1/4 NW 1/4 of Section 29, T. 10 S., R. 76 W of the 6th P.M. at a point bearing south 23°58'49" east from the northwest corner of said Section 29, a distance of 1564.29

Together with such other wells which shall be drilled for the purposes herein stated.

From said wells the corporation will deliver a water supply to those portions of Redhill Forest situated within the following described Properties which shall be platted into Redhill Forest:

A tract of land located in Sections 1, 12, 13 and 24 T. 10 S., R. 77 W., and Section 18, 19, 29, 30, 31 and 32, T. 10 S., R. 76 W., and Section 5, T. 11 S., R. 76 W., 6th P.M., Park County, Colorado. Beginning at the NE corner of said Section 1, thence S 00°09'13" W along the East line of said Section 1 for a distance of 2639.44' to the E 1/4 corner of said Section 1, thence continuing along said East line S 00°09'13" W for a distance of 2639.44' to the NE corner of said Section 12, thence S 00°10'16" W along the east line of said Section 12 for a distance of 2646.36' to the E 1/4 corner of said Section 12, thence continuing along said East line, S 00°10'16" W for a distance of 2446.36' to the NE corner of said Section 13, thence S 00°02'57" E along the east line of said Section 13 for a distance of 900.00', thence N 83°29'08" E for a distance of 452.97', thence S 07°08'41" E for a distance of 1815.92', thence S 20°52'31" E for a distance of 2822.12' to a point on the South line of said Section 18, thence S 23°44'41" E for a distance of 3029.58' to a point on the EW center of Section Line of said Section 19, thence S 21°41'45" E for a distance of 2948.34' to the NE corner NW 1/4 NE 1/4 of said Section 30, thence S 25°18'46" E for a distance of 3033.09' to the E 1/4 corner of said Section 30, thence S 2°21'17" E for a distance of 2979.27' to the NE corner W 1/2 W 1/2 of said Section 32, thence S 26°21'46" E for a distance of 2969.41' to the center of Section of said Section 32, thence S 29°36'50" E for a distance of 1970.92' thence S 27°02'15" E for a distance of 1978.08' thence S 67°29'34" E for a distance of 306.61' to a point on the westerly right of way of County Road No. 7, thence crossing said R.O.W. N 84°29'29" E for a distance of 69.41' to a point on the Easterly R.O.W. of said County Road No. 7, thence leaving said R.O.W. S 42°53'37" E for a distance of 503.67' to the SE corner NE 1/4 NE 1/4 of said Section 5, thence S 04°26'21" W along the E line of Section 5 for a distance of 1252.69' to the E 1/4 corner of said Section 5, thence S 89°04'45" W along the East-West Center of Section line of said Section 5 for a distance of 30.29' to a point on the North-Easterly R.O.W. line of Colorado State Highway No. 9, thence North-Westerly along said R.O.W. for the following 17 courses. N 11°51'17" W for a distance of 473.68', thence to the left along the arc of a curve whose delta is 11°51'17" and whose radius is 1960.00' for a distance of 624.12', thence N 50°06'37" W for a distance of 952.70' thence to the right along the arc of a curve

whose delta is  $08^{\circ}49'00''$  and whose radius is  $5680.00'$ , for a distance of  $874.04'$ , thence  $N 41^{\circ}17'37'' W$  for a distance of  $2988.70'$ .  
 Thence  $N 48^{\circ}42'26'' E$  for a distance of  $10.00'$ ,  
 thence  $N 41^{\circ}17'37'' W$  for a distance of  $696.20'$ ,  
 then to the right along the arc of a curve whose delta is  $04^{\circ}54'00''$  and whose radius is  $5670.00'$ , for a distance of  $481.99'$ , thence  $N 30^{\circ}10'01'' W$  for a distance of  $138.30'$ , thence  $N 36^{\circ}23'37'' W$  for a distance of  $1174.32'$ , thence  $N 50^{\circ}25'47'' W$  for a distance of  $103.08'$ , thence  $N 36^{\circ}23'37'' W$  for a distance of  $4321.20'$ , thence to the right along the arc of a curve whose delta is  $04^{\circ}34'00''$  and whose radius is  $5680.00'$  for a distance of  $542.72'$ , thence  $N 31^{\circ}49'37'' W$  for a distance of  $722.10'$ , thence  $N 28^{\circ}57'52'' W$  for a distance of  $260.25'$ , thence  $N 31^{\circ}49'37'' W$  for a distance of  $2381.78'$ , thence to the right along the arc of a curve whose delta is  $04^{\circ}56'15''$  and whose radius is  $5670.00'$ , for a distance of  $488.60'$ , to a point on the east line of said Section 24, thence  $N 00^{\circ}00'42'' E$  along said east line for a distance of  $260.12'$  to the E 1/4 corner of said Section 24, thence  $S 88^{\circ}16'43'' W$  along the East-West center of Section line for a distance of  $975.21'$  to a point on the easterly right of way line of Colorado State Highway No. 9, thence leaving said R.O.W.  $N 16^{\circ}00'27'' W$  for a distance of  $2698.98'$ , thence due north for a distance of  $220.00'$ , thence  $N 16^{\circ}41'57'' W$  for a distance of  $835.23'$ , thence  $N 05^{\circ}02'33'' W$  for a distance of  $1706.61'$ , thence  $N 22^{\circ}43'54'' W$  for a distance of  $1409.48'$  to a point on the north-south center of section line of Section 12, thence  $N 00^{\circ}07'41'' E$  along said center of section line for a distance of  $752.85'$  to the SE corner NE 1/4 SW 1/4 of said Section 12, thence  $N 89^{\circ}26'16'' W$  along the south line of said NE 1/4 SW 1/4 for a distance of  $664.19'$  to the SW corner E 1/2 NE 1/4 SW 1/4 of said Section 12, thence  $N 00^{\circ}06'45'' E$  along the West line of the said E 1/2 NE 1/4 SW 1/4 for a distance of  $1338.59'$  to the SW corner E 1/2 E 1/2 NW 1/4 of said Section 12, thence  $N 00^{\circ}07'20'' E$  along the West line of the said E 1/2 E 1/2 NW 1/4 for a distance of  $2676.41'$  to a point on the south line of Section 1, said point also being the NW corner E 1/2 E 1/2 NW 1/4 of said Section 12, thence  $N 88^{\circ}39'17'' W$  along said south line for a distance of  $664.96'$  to the SW corner E 1/2 SW 1/4 of said Section 1, thence  $N 02^{\circ}12'56'' W$  along the West line of the said E 1/2 SW 1/4 for a distance of  $2467.90'$  to the SW corner E 1/2 NW 1/4 of said Section 1, thence  $N 92^{\circ}01'49'' E$  along the West line of the said E 1/2 NW 1/4 for a distance of  $2515.84'$  to a point on the North line of said Section 1, said point also being the NW corner E 1/2 NW 1/4 of said Section 1, thence  $N 89^{\circ}55'42'' E$  along said North line for a distance of  $1338.94'$  to the N 1/4 corner of said Section 1, thence continuing along said North line  $N 89^{\circ}55'42'' E$  for a distance of  $2677.87'$  to the NE corner of said Section 1, the point of beginning. Containing  $2404.94$  acres more or less. All bearings are referenced to a solar observation.

AND

A tract of land located in Sections 12, 13 and 24 T. 19 S., R. 77 W., of the 6th P.M., County of Park, State of Colorado; more particularly described as follows:

Beginning at S 1/4 corner of said Section 12, thence N 00°07'41" E along the North-South center of Section line for a distance of 582.66' to the true point of beginning, said point being a common point on the W line of the Redhill Development, thence southerly along the said W line of the Redhill Development for the following 5 courses. S 22°43'54" E for a distance of 1409.48', thence S 05°02'33" E for a distance of 1706.61', thence S 16°41'57" E for a distance of 835.23'; thence due South for a distance of 200.00' thence S 16°00'27" E for a distance of 2698.08' to a point of intersection with the East-West center of section line of Section 24 and the North-easterly R.O.W. of Colorado State Highway No. 9 thence northwesterly along said R.O.W. to a point of intersection with the said R.O.W. and the East Bank of the Middle Fork of the South Platte River, thence northerly along the said East bank of the Middle Fork of the South Platte River as it now exists or may exist through future meanders, to a point of intersection of the said east bank and the North-South center of section line of said Section 12, thence N 00°07'41" E along said North-South center of section line to the true point of beginning, containing approximately 35.5 Acres, all bearings are referenced to a solar observation.

In no event shall water be supplied outside of the properties or used outside of the boundaries thereof; provided, however, that Morr's Muck, on whose property commonly known as Trout Creek Ranch lying adjacent to Redhill Forest, the existing wells have been drilled and on whose property it is anticipated that further wells will be drilled, as reserved the right to use excess water over and above the current needs of Redhill Forest for application to lands within Trout Creek Ranch for irrigation purposes.

Said property described above is planned to be subdivided and is to be served by a pipeline distribution system for all municipal purposes including sanitary purposes, recreation and fire protection, such system to be administered by the corporation. Water is to be delivered from the wells and water right to Redhill Forest by one or more convenient and direct routes from each well. Additional wells and water rights

and other sources of water supply may, as needed, be added to the system from time to time and the system shall include such reservoirs, water purification and other service facilities as shall be necessary to service the said subdivision and the members of the corporation. Legal and equitable title to the wells, water rights, facilities, property, and all incidents of the water system shall be in the corporation, and no member shall have a severable, separate or individual interest therein which may be owned apart from the corporation, nor shall any member have the right to the partition of any portion of the water system. The water system shall be deemed appurtenant to the properties only for the purposes intended.

Additional facilities to provide other services (not related to the water system) may be added from time to time as they shall be needed to service the need and desires of the subdivision and members of the corporation.

F. To provide such other services and activities to the members of the corporation (or any or some of them) as shall be desired by them and shall be undertaken on their behalf under contract with the Board of Managers, such as by way of example, but not limited to, the boarding of livestock and the management of livestock herds and the construction, operation and management of recreational facilities for the benefit of such of those members who choose to voluntarily participate in activities.

#### ARTICLE IV

##### Powers

In furtherance of its purposes, the corporation shall have the following powers:

A. To own, acquire, build, operate and maintain common area roads, footways, easements, and real and personal property of every kind and nature, including, buildings, structures, water systems and livestock to carry out the purposes of the corporation.

B. To fix assessments (or charges) to be levied upon members of the corporation and their properties in Redhill Forest.

C. To contract with its members and others with respect to the contemplated central water system and the extension of electric service in the subdivision.

D. To enforce any and all covenants, restrictions and provisions of the General Declaration.

E. To pay taxes, if any, on the property of the corporation.

F. To mortgage or encumber the properties of the corporation.

G. All of the powers conferred upon corporations by common law and the Colorado Nonprofit Corporation Act, all as in effect from time to time.

H. All of the powers specified in or necessary or desirable to perform the obligations and duties and exercise the rights and powers of the Association under the aforesaid General Declaration.

I. All other powers reasonable or desirable to fulfill the purposes of the corporation.

#### ARTICLE V

##### Membership

The corporation shall be a membership corporation without certificates or shares of stock. The kinds and classes of members or memberships and the rights and privileges with respect to the same shall be as follows:

A. Membership. Except as is otherwise provided in the By-Laws or the General Declaration, ownership of a Lot within the Subdivision is required in order to qualify for membership in this Association. Any person on becoming an owner of a Lot within the Subdivision shall automatically become a Member of this Association and be subject to these Articles of Incorporation, the General Declaration and the By-Laws of the

Association. Membership shall terminate without any formal Association action whenever a person ceases to own a Lot, provided, however such termination shall not relieve or release any such former owner from any liability or obligation incurred under or in any way connected with this Association during the period of such ownership and membership in the Association. Termination shall not impair any rights or remedies which the Lot Owners have, either through the Board of Managers or the Association or directly, against such former Owner and Member arising out of or in any way connected with ownership and membership and the covenants and obligations incident thereto. As used hereby the words "Member(s)" and "Lot Owners" shall be interchangeable.

B. Classes of Membership. There shall be Class A and Class B memberships in the Association, defined more fully as follows:

C. Class A. Class A Members shall be the owners (including Developers with respect to unsold platted lots) of platted lots situated within and upon the properties comprising a part of the Subdivision. Each Class A Member shall be entitled to one vote in the Association for each lot owned by that Member.

D. Class B. Class B Members shall be the Developers, or their respective heirs, personal representatives, successors and assigns, with respect to unplatted portions of the properties which have not been withdrawn from the Developers' subdivision scheme, i.e., which the Developers plan to plat into lots and sell as a part of the subdivision. Except as otherwise provided in this document, and/or the General Declaration or By-Laws of the Association, Class B Members shall not be entitled to any voting rights in the Association. Upon the platting of subsequent filings, a Class B membership shall automatically become Class A memberships with the number



of new Class A memberships created by such filing being the number of Lots in that filing.

E. Voting. Voting shall be based upon one (1) vote for each Lot within the subdivision owned by each owner. An owner of an undivided interest (joint or common) in and to a Lot shall be required to designate one (1) person to vote his ownership interest in such Lot. Such designation shall be in writing signed by the designor, and shall be effective until revoked by written signed instrument. The aggregate of all of the votes in all of the Lots (whether now or hereafter platted) shall be considered one hundred (100%) percent for voting purposes. Cumulative voting is prohibited. As used in the By-Laws the words "undivided interests" or "ownership in the Association" mean, for voting purposes, that fractional or percentage interest in and to the Association.

F. Majority of Lot Owners. As used in these Articles of Incorporation the term "majority of Lot Owners" shall mean those Owners of more than fifty percent (50%) of the undivided Class A ownership of the Association as the same may from time to time be constituted.

G. Quorum. Except as otherwise provided in the By-Laws, the presence in person or by proxy of a majority of Lot Owners (including the Developers with respect to their Class A memberships as specified herein) shall constitute a quorum. An affirmative vote of a majority of the Lot Owners present, either in person or by proxy, shall be required to transact the business of the meeting, except where a different percentage is required by the By-Laws, the General Declaration or these Articles of Incorporation of the association.

H. Proxies. Votes may be cast in person or by written proxy. Proxies must be signed and filed with the Secretary before the appointed time of each meeting.

## ARTICLE VI

Board of Managers

The business and affairs of the corporation shall be conducted, managed and controlled by a Board of Managers. The number, term of office and manner of selection or election of members of the Board of Managers shall be as provided in the By-Laws of this corporation. The Board of Managers shall consist of not less than three nor more than nine (9) members, the specific number to be as provided in the By-Laws of this corporation. In the absence of such provision in the By-Laws the Board shall consist of three (3) members.

Members of the Board of Managers may be removed and vacancies on the Board of Managers shall be filled in the manner provided in the By-Laws. Absent a provision in the By-Laws for filling vacancies, any vacancies in the Board of Managers shall be filled by a majority of the remaining managers.

The Board of Managers may, by resolution, create an Executive Committee of the Board of Managers. The number of members of the Executive Committee and the persons who shall be members thereof shall be determined by the Board of Managers; the Executive Committee shall have all of the powers of the Board of Managers to arrange and direct all of the business affairs of the corporation and, whenever action is required to be taken or may be taken by the Board of Managers, such action may be taken by the Executive Committee and shall be deemed to have been taken by the Board of Managers.

The names and addresses of the members of the first Board of Managers who shall serve until their successors are duly designated or elected and qualified are as follows:

<u>Name</u>	<u>Address</u>
Morris Burk	Trout Creek Ranch Fairplay, Colorado 80440
Judith R. Burk	Trout Creek Ranch Fairplay, Colorado 80440
Harley G. Hamilton	Beaver Creek Road Fairplay, Colorado 80440

## ARTICLE VII

Assessments and Lien for Unpaid Charges

Class A memberships may be used, among other things, as a basis for making charges and levying assessments for providing water, except as otherwise provided and specified in Article V of the Declaration, fire protection, road maintenance and other services as herein allowed to members. The corporation may refuse to provide, so long as such refusal does not constitute an immediate danger to a member or his property, such services or may selectively withhold service to any member who is delinquent in paying any assessment, charge or other debt to the corporation, and may refuse to recognize and treat as a member any transferee of a membership until all delinquencies of the transferor have been paid. The corporation shall have a perpetual lien upon the property, within Redhill Forest, of any member for delinquent charges or assessments of any type, and all other debts owed by any such member to the corporation, including all proper charges, fines, and penalties plus interest from the date due and all costs and expenses of collecting the unpaid amount, including reasonable attorneys' fees. In addition to all other remedies provided by law, the corporation may foreclose the lien in the manners provided for foreclosure of subdivided real property in the State of Colorado, all as more fully set forth in the General Declaration.

## ARTICLE VIII

Conflict of Interest

The following provisions are inserted for the management of the business and for the conduct of the affairs of the corporation and the same are in furtherance of and not in limitation or exclusion of the powers conferred by law: No contract or other transaction of the corporation with any other person, firm or corporation, shall be affected or invalidated by (i) the fact that any one or more of the Managers or Officers

of this corporation is interested in or is a director or officer of another corporation; or (ii) the fact that any Manager or Officer individually or jointly with others may be a party to or interested in any such contract or transaction. Each person who may become a Manager or Officer of the corporation is hereby relieved from any liability that might otherwise arise by reason of his contracting with the corporation for the benefit of himself or of any other corporation in which he may be in any way interested.

#### ARTICLE IX

##### Initial Registered Office and Agent

The initial registered office of the corporation shall be Trout Creek Ranch, Fairplay, Colorado 80440. The initial registered agent at such office shall be Morris Burk.

#### ARTICLE X

##### Amendments

Amendments to these Articles of Incorporation shall be adopted in the manner set forth in the By-Laws. Amendment to the By-Laws shall be made in the manner set forth in the By-Laws. No Amendment of these Articles or the By-Laws shall be inconsistent with the General Declaration.

#### ARTICLE XI

##### Incorporator

The incorporator of this corporation is Leonard M. Oates, 600 East Hopkins, Suite 204, Aspen, Colorado 81611.

#### ARTICLE XII

##### Dissolution

A. The corporation may be dissolved only at the instigation of the Class A Members, with the assent given in writing and signed by the members entitled to cast sixty-six and two-thirds (66 2/3%) percent of the eligible votes (and for this purpose Class B members shall be entitled to vote) of each class of its membership. The aggregate of Class B

memberships shall be deemed to be the number of Lots within the properties which are planned for subdivision within Redhill Forest, but not yet platted of record. Written notice of a proposal to dissolve, setting forth the reasons therefor and the disposition to be made of the assets (which shall be consonant with paragraph B hereof immediately following) shall be mailed to every member at least ninety (90) days in advance of any action taken.

B. Upon dissolution of the corporation, the assets, both real and personal of the corporation, shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable, the same as those to which they were required to be devoted by the corporation. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the corporation. No such disposition of association properties shall be effective to divest or diminish any right or title of any member vested in him under the recorded covenants and deeds applicable to the Properties unless made in accordance with the provisions of such covenants and deeds.

Executed this 17<sup>th</sup> day of August, 1977.

Leonard M. Oates  
Leonard M. Oates

STATE OF COLORADO )  
                          ) ss  
COUNTY OF PITKIN

RECORDED  
ROLL 331 PAGE 1635

The foregoing instrument was acknowledged before me this 17<sup>th</sup> day of August, 1977, by LEONARD M. OATES.

WITNESS my hand and official seal.

My commission expires: July 25, 1981

William R. Thomas  
Notary Public