

1 **BYLAWS**

2 **OF**

3 **CHINOOK PASS CABIN OWNERS ASSOCIATION**

4 **ARTICLE I. DEFINITIONS**

5 **Section 1.1 Corporation**

6 The name of the Corporation shall be Chinook Pass Cabin Owners Association.

7 **ARTICLE II. MEMBERS**

8 **Section 2.1 Qualification of Members**

9 Membership in the Corporation is open to any person holding a Recreational Residence
10 Permit (a "Permit Holder") with respect to a lot located in the Naches Ranger District of the
11 Okanogan-Wenatchee National Forest. A spouse or domestic partner of a Permit Holder shall also
12 be considered a Permit Holder. Co-owners or any other person with a financial interest in a cabin
13 on a lot may become an Associate Member(s). To be a Member, a Permit Holder or other eligible
14 person, must pay the annual membership dues on or before the due date specified by Section 2.2.

15 2.1 (a) Any other individual(s) or organization(s) with an interest in supporting the work
16 of the Corporation may become an Associate Member by paying the appropriate
17 annual dues.

18 2.1 (b) Membership in the Corporation shall automatically include membership in the
19 National Forest Homeowners ("NFH") and the Washington State Forest
20 Homeowners Association ("WSFHA").

21 **Section 2.2 Dues**

22 The Board of Directors (the "Board") shall determine the respective annual dues amounts
23 for Members and Associate Members, which shall include the amount of annual dues payable for
24 membership in the National Forest Homeowners (NFH) and the Washington State Forest
25 Homeowners Association (WSFHA). The due date will coincide with the fiscal year of the
26 Corporation.

27 **Section 2.3 Member Meetings**

28 There will be two or more meetings of the membership per year. There will be one regular
29 meeting and one annual meeting, and others as established by the Board based upon the needs of
30 the Corporation.

31 The regular meeting of the Members will be held in spring of each year. The annual
32 meeting of the Members shall be held in fall of each year. Additional meeting(s) may be called by

49 the Board as necessary. Meetings of the Members will be held in the vicinity of State Route (SR)
50 410 (commonly referred to as Chinook Pass) with the exact time, date, and location to be
51 determined by the President or his or her designee.

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53 2.3 (a) At the spring regular meeting, routine business of the Association will be
54 conducted. There will be a call for nominations to the Board for those positions
55 that will expire in September of that same year. Nominations will also be opened
56 for officer positions.

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58 2.3 (b) At the fall annual meeting, routine business of the Association will be conducted.
59 Members will approve an Annual Budget for the Association and elect Members
60 to the Board of Directors whose respective terms of office have expired. Officers
61 of the Board will also be elected at this meeting,

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63 2.3 (c) A special meeting of the Members for any purpose or purposes unless otherwise
64 prohibited by statute may be called by the President or the Board.

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66 **Section 2.4 Notice of Meetings**

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68 Written notice shall be provided for the spring regular meeting, the fall annual meeting, and
69 all special meetings. The written notice shall provide day, time, and location of the meeting, and
70 contain a statement of purpose or purposes for which the meeting has been called. The written
71 notice must be delivered not fewer than seven (7) and no nor more than ninety (90) days before the
72 date of the meeting set forth in the notice. Unless a Member has on file with the Secretary a
73 request to receive written communications by U.S. Mail, notice by electronic mail to the e-mail
74 address on file with the Secretary shall be deemed sufficient.

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76 **Section 2.5 Voting**

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78 Voting will consist of one vote per cabin. Only one individual Member or Associate
79 Member from each lot shall be entitled to vote on each matter submitted to a vote at a meeting of
80 the Members. Action on a matter is approved by majority vote unless the question is one upon
81 which a different vote is required by express provision of law, by the Articles of Incorporation, or
82 by these Bylaws.

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84 **Section 2.6 Action by Written Consent**

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86 The President of the Board or his or her designee may submit matters to the Members for written
87 consent or approval. Unless a Member has on file with the Secretary a request to receive written
88 communications by U.S. Mail, notice by electronic mail to the e-mail address on file with the
89 Secretary shall be deemed sufficient. The request shall describe the matter to be approved, the
90 action requested, and the date by which the Member must respond, which shall be no fewer than
91 forty-five (45) days from the date the request is mailed. Members may respond by electronic mail
92 or by U.S. Mail. An affirmative response from a majority of Members shall constitute approval of
93 the matter. Votes taken by mail shall be maintained by the Secretary of the Association for review
94 by any Member for five (5) days after the day of the next regular or annual meeting of the
95 Members.

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ARTICLE III. BOARD OF DIRECTORS

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Section 3.1 Election; Board of Directors; Qualification and Tenure

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The Board shall consist of not fewer than three (3) and not more than nine (9) Directors to be elected by majority vote of the Members present at the annual meeting. Directors must be Members or Associate Members of the Corporation in good standing who are affixed to a specific cabin lot within the Chinook Pass vicinity. Unless removed in accordance with these Bylaws, each Director shall hold office for a three-year term beginning on the day following the annual meeting.

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Section 3.2 Election of Officers

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At the annual meeting, the Members shall designate a President, 1st Vice President, 2nd Vice President, Secretary, and Treasurer. No officer may hold his or her respective position for more than three (3) consecutive terms.

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Section 3.3 Duties of Director

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The Directors of the Corporation must act in good faith and in the best interest of the Corporation, and perform their duties with due care and after reasonable inquiry. As a fiduciary, the Board is entrusted with the Corporation's money and must be careful with the use of those funds. Among other things, each Director must examine financial statements to ensure that the Corporation has adequate funds to pay its obligations and that such funds are used to further the Corporation's goals and mission. Each Director must act as an ordinarily prudent person would act in similar circumstances. Directors are expected to use common sense and practical judgment and are not necessarily experts in every matter the Board considers.

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In performing the duties of a Director, a Director may rely upon information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- (1) One or more officers or employees of the Corporation whom the Director believes to be reliable and competent in the matter presented;
- (2) Counsel, public accountants, or other persons as to matters which the Director believes to be within such person's professional or expert competence; or
- (3) A committee of the Board, upon which a Director does not serve, that was duly designated by the Board to provide oversight or service to the organization.

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Section 3.4 Conflicts of Interest

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Directors are required to disclose all conflicts of interest. When a conflict of interest is apparent, the Director must refrain from voting on the issue involving the conflict. The Board retains the right to request the resignation of any Director where his or her relationship as a Director creates an inherent and ongoing (pervasive) conflict of interest. If Director who has been asked by the Board

143 to resign for this reason refuses that request, the Board has the right and authority to remove the
144 Director.

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146 **Section 3.5 Board Meetings**

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148 The Board may specify by resolution the time and place for holding any regular meetings
149 of the Board. A special meeting of the Board may be called by the President or any two Directors.
150 Written or oral notice of special meetings of the Board stating the date, time, and place thereof
151 shall be provided at least five (5) days prior to the date set for such meeting. Written notice is
152 effective upon dispatch if such notice is sent to the Director's address, facsimile number, telephone
153 number, or electronic mail address appearing on the records of the Association. Unless otherwise
154 required by law, neither the business to be transacted at, nor the purpose of, any regular or special
155 meeting of the Board need be specified in the notice of such meeting.

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157 The attendance of a Director at a meeting shall constitute a waiver of notice of the meeting,
158 except where a Director attends a meeting for the express purpose of objecting to the transaction of
159 any business because the meeting is not lawfully convened.

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161 **Section 3.6 Quorum; Manner of Acting**

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163 A majority of the total number of Directors on the Board at the time of a meeting shall
164 constitute a quorum for the transaction of any business at any meeting of Directors. If a quorum is
165 present when a vote is taken, the affirmative vote of a majority of Directors is the act of the Board,
166 unless the question is one upon which a different vote is required by express provision of law, by
167 the Articles of Incorporation, or by these Bylaws.

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169 **Section 3.7 Participation by Conference Telephone**

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171 Directors may participate in a regular or special meeting of the Board by, or conduct the
172 meeting through the use of, any means by which all Directors participating can communicate with
173 each other during the meeting, and participation by such means shall constitute presence in person
174 at the meeting.

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176 **Section 3.8 Action by Board Without a Meeting**

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178 Any action permitted or required to be taken at a meeting of the Board may be taken
179 without a meeting if one or more written consents setting forth the action so taken shall be signed,
180 either before or after the action taken, by all of the Directors. Action taken by written consent is
181 effective when the last Director signs the consent, unless the consent specifies a later effective
182 date.

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184 **Section 3.9 Resignation**

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186 Any Director may resign at any time by delivering written notice to the President or the
187 Secretary, or by giving oral notice at any meeting of the Directors or Members. Any such
188 resignation shall take effect at any subsequent time specified therein, or, if the time is not

189 specified, upon delivery thereof. Unless otherwise specified therein, the acceptance of such
190 resignation shall not be necessary to make it effective.

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192 **Section 3.10 Removal**

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194 Any Director may be removed from office, with or without cause, by an affirmative vote of
195 a majority of the Members present at the annual meeting or any special meeting of the Members.

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197 **Section 3.11 Vacancies**

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199 A vacancy on the Board may occur by the resignation, removal, or death of an existing
200 Director or by reason of increasing the number of Directors on the Board, as provided in these
201 Bylaws. Vacancies within the Board of Directors may be filled by election of the membership at
202 any meeting of the Members or by appointment by the Board if within twelve (12) months of the
203 expiration of the term. A Director elected or appointed to fill a vacancy shall serve for the
204 unexpired term of his or her predecessor in office. Where the vacancy to be filled occurs by reason
205 of an increase in the number of Directors, the Director shall serve only until the next election of
206 Directors.

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208 **Section 3.12 Reimbursements/Compensation**

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210 By resolution of the Board and with consent of the membership, Members and Directors
211 may be reimbursed for expenses for which the Board has given prior approval. Board-approved
212 expenses are those incurred for carrying out the business of the Corporation. No other form of
213 compensation shall be provided to Members or Directors.

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215 **ARTICLE IV. DUTIES OF OFFICERS**

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217 **Section 4.1 President**

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219 The President shall be the principal executive officer of the Association and, subject to the
220 control of the Board, shall supervise the affairs of the Corporation; serve as or designate the
221 presiding officer at the regular and annual meetings of the Members; and establish committees
222 to consider matters of importance to the Corporation. The President shall keep the Board informed
223 of actions and seek their guidance on matters of major importance.

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225 The President may sign contracts or other instruments which the Board has authorized to be
226 executed, except in cases where the signing and execution thereof shall be expressly delegated by
227 the Board or by these Bylaws to some other officer or agent of the Corporation, or shall be
228 required by law to be otherwise signed or executed. In general, the President shall perform all
229 duties incident to his or her office and such other duties as may be prescribed by resolution of the
230 Board from time to time.

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232 **Section 4.2 1st Vice President**

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234 The 1st Vice President shall perform all duties of the President in the absence of the
235 President, and other duties as assigned.

236 **Section 4.3 2nd Vice President**

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238 The 2nd Vice President, in addition to his other duties regarding membership activities,
239 shall perform all duties of the President or 1st Vice President in their absence.

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241 **Section 4.4 Secretary**

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243 The Secretary shall maintain the minutes of the meetings of the Members and the Board.
244 By resolution of the Board, the taking of minutes may be performed by a non-Board member. The
245 Secretary shall give notices in accordance with the provisions of these Bylaws and as required by
246 law; shall be custodian of the corporate records of the Corporation; shall keep a record of the
247 names and addresses of all Members; may sign with the President or a Vice-President those
248 contracts or other instruments that have been authorized by the Board; and, in general, shall
249 perform all duties incident to the office of Secretary and such other duties as from time to time
250 may be assigned to the Secretary by resolution of the Board.

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252 **Section 4.5 Treasurer**

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254 The Treasurer is authorized to perform all duties incident to the Office of Treasurer and
255 such other duties as from time to time may be assigned to the Treasurer by resolution of the Board.
256 The Treasurer manages the fiscal affairs of the Corporation; is responsible for keeping correct and
257 complete books and records of account; and supervises billing and the collection of dues. The
258 Treasurer is authorized to pay bills of the Association as directed by the President, provided that
259 any expenses in excess of \$500 (five hundred dollars) shall be authorized by the Board; and any
260 expenses in excess of \$2,500 (two thousand five hundred dollars) shall be subject to the approval
261 of the Members. Expenses included in the Annual Budget approved by the Members at the annual
262 meeting shall require no additional authorization.

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264 The Treasurer shall submit a financial report yearly at the annual meeting. The preparation
265 of and filing of federal, state, and local taxes shall be the responsibility of the Treasurer. By
266 resolution of the Board, the preparation and filing of federal, state, and local taxes may be
267 contracted out to a certified accounting firm. The Treasurer shall not be required to give a bond
268 for the faithful discharge of his or her duties.

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270 **Section 4.6 Members at Large**

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272 Members at Large are those Members of the Board who are not elected to an officer's
273 position, and shall perform duties as assigned.

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275 **Section 4.7 Indemnification**

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277 4.7 (a) The Board shall have the power to purchase and maintain, at the Corporation's
278 expense, insurance on behalf of the Corporation and on behalf of others to the
279 extent that the power to do so has been or may be granted by statute, and to give
280 other indemnification to the extent possible by law.

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282 4.7 (b) Bylaws Indemnification Not Exclusive of Other Rights: The right to
283 indemnification and the payment of expenses incurred in defending a proceeding in
284 advance of its final disposition conferred in this section and/or in Article IX of the
285 Corporation's Articles of Incorporation shall not be exclusive of any other right
286 which any person may have or hereafter acquire under any statute, provision of the
287 Articles of Incorporation, Bylaws, agreement, vote of Members or disinterested
288 Directors, or otherwise.
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- 290 4.7 (c) Director and Officer Liability Insurance: The Corporation may maintain insurance
291 at its expense to protect itself and any Director, officer, employee, or agent of the
292 Corporation or another Corporation, partnership, joint venture, trust, or other
293 enterprise against any expense, liability, or loss, whether or not the Corporation
294 would have the power to indemnify such person against such expense, liability, or
295 loss under the Washington Non-Profit Corporation Act. The Corporation may enter
296 into contracts with any Director or officer of the Corporation in furtherance of the
297 provisions of this section.
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299 **ARTICLE V. CONTRACTS, LOANS, CHECKS, DEPOSITS**

300 **Section 5.1 Contracts**

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303 The Board may authorize any officer or officers, agent, or agents to enter into any contract
304 or execute and deliver any instrument in the name of and on behalf of the Corporation, and that
305 authority may be general or confined to specific instances.
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307 **Section 5.2 Loans**

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309 No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness
310 shall be issued in its name.
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312 **Section 5.3 Checks, Drafts, etc.**

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314 All checks, drafts, or other orders for the payment of money, notes, or other evidences of
315 indebtedness issued in the name of the Corporation shall be signed by the officer or officers, or
316 agent or agents, of the Association and in the manner as shall from time to time be prescribed by
317 resolution of the Board.
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319 **Section 5.4 Deposits**

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321 All funds of the Corporation not otherwise employed shall be deposited from time to time
322 to the credit of the Corporation in a bank account under the control of the Corporation. The
323 Treasurer and another Board Member approved by the Board will have signature rights to the
324 account.
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328 **Section 5.5 Loans to Directors and Officers**

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330 No loans shall be made by the Corporation to any officer, Director, Member, or Associate
331 Member.

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333 **Section 5.6 Budget**

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335 Prior to the beginning of each fiscal year, the Board shall prepare a budget of estimated
336 income and expenditures for the year, which shall stand as the limit of expenditures for these
337 purposes, unless otherwise ordered by action of the Board. While preparing the budget and in the
338 course of approving the allocation of funds, the Board shall take into account any corporate fiscal
339 policies.

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341 **ARTICLE VI. MISCELLANEOUS PROVISIONS**

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343 **Section 6.1 Books and Records**

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345 The Corporation shall keep correct and complete books and records of account; minutes of
346 the proceedings of its Members, the Board, and any committees designated by the Board; and such
347 other records as may be necessary or advisable.

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349 **Section 6.2 Copies of Minutes and Resolutions**

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351 Any person dealing with the Corporation may rely upon a copy of any of the records of the
352 proceedings, resolutions, or votes of the Board when such records are certified by the President or
353 Secretary.

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355 **Section 6.3 Fiscal Year**

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357 The fiscal year of the Corporation shall be from January 1 to December 31, or such other
358 fiscal year as may be determined by resolution of the Board.

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360 **Section 6.4 Amendments to These Bylaws**

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362 These Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted, by a
363 majority vote of the Members present at the annual meeting or a special meeting, provided that
364 each Director receives notice five (5) days prior to the meeting indicating the text of the proposed
365 Bylaw amendment and that a Bylaw amendment shall be voted upon at the meeting.

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367 **Section 6.5 Construction**

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369 Whenever the context so requires, the masculine shall include the feminine and neuter, and
370 the singular shall include the plural, and conversely. If any portion of the Bylaws is found to be
371 invalid and inoperative, then so far as is reasonable and possible, the remainder of these Bylaws
372 shall be considered valid and operative, and effect shall be given to the intent manifested by the
373 portion held invalid or inoperative.

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Section 6.6 Relation to Articles of Incorporation

These Bylaws are subject to and governed by the Articles of Incorporation.

Section 6.7 Creating New Policies

The Board of Directors may adopt policies that speak to certain Board or corporate procedures and actions. Policies may be shared with Members for input. Policies are voted on by the Board and may be changed by the Board without a vote of the Members.

ARTICLE VII. SECRETARY'S CERTIFICATION

The undersigned, being the Secretary of the Corporation, hereby certifies that these Bylaws are the Bylaws of the Chinook Pass Cabin Owners Association, adopted by resolution of the Directors.

DATED this _____ day of _____, 2018.

BY: Scott Miller, Secretary