

Bylaws Page 1 of 9

Gary Christensen Washington County Recorder
02/15/2024 11:37:35 AM Fee \$40.00 By SIENNA
HILLS COMMUNITY ASSOCIATION

**BYLAWS OF THE
ARROYO AT SIENNA HILLS OWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

Section 1 .01 Name and Location. The name of the Association is the Arroyo at Sienna Hills Owners Association (the "Association"). The principal office of the corporation shall be located at 1593 E. Grapevine Crossing, Washington, Utah 84780. Meetings of Members and Board of Directors may be held at such places within the State of Utah, as may be designated by Board of Directors.

**ARTICLE II
DEFINITIONS**

Section 2.01 Definitions. Except as otherwise provided herein or as may be required by context, all terms defined in Article I of the Declaration shall have such defined meanings when used in these Bylaws.

**ARTICLE III
MEETINGS OF MEMBERS OF THE ASSOCIATION**

Section 3.01 Annual Meeting. The Board of Directors shall meet as often as it deems reasonably necessary but not less than annually at a convenient time and place.

Section 3.02 Special Meetings. Special meetings of the Association may be called at any time by the President or by a majority of the Directors.

Section 3.03 Notice of Meetings. Written notice of each meeting of the Association shall be given to each Owner by or at the direction of the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, no more than thirty (30) and at least ten (10) days before such meeting to said Owner addressed to the Owner's address last appearing on the books of the Association, or supplied by such Owner to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 3.04 Quorum. A majority of the Owners present in person or by proxy and entitled to vote shall constitute a quorum for any action except as otherwise expressly provided in Governing Documents.

Section 3.05 Proxies. At all Association meetings, each Owner may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall expire, if not previously revoked, eleven (11) months after the date it is given by the Owner. Proxies delivered prior to the commencement of the meeting shall be considered valid.

**ARTICLE IV
BOARD OF DIRECTORS AND TERM OF OFFICE**

Section 4.01 Number. The affairs of the Association shall be managed by a Board of Directors comprised of a variable number of Directors from three (3) to five (5) as the majority of the members may from time to time determine. Each Member must be duly qualified and appointed or elected.

Section 4.02 Replacement. If a Member resigns or is otherwise unable or unwilling to serve, then the remaining Members shall appoint a replacement to complete his/her term of office.

Section 4.03 Term of Office. Each Member on the Board of Directors shall serve a term of at least one (1) year.

Section 4.04 Compensation. No Member shall receive compensation for any service he/she may render to the Association as a member of the Board of Directors, although he/she may be reimbursed for his/her actual expenses incurred in the performance of his/her duties and may enter into an independent contract to provide other services. A Member may enter into a separate and independent contract with the Association to provide additional services for a fee.

Section 4.05 Action Taken Without a Meeting. The Board of Directors shall have the right to take any action in the absence of a meeting which it could take at a meeting by obtaining the written approval of all the Members. Any action so approved shall have the same effect as though taken at a meeting of the Board of Directors.

Section 4.06 Voting. The Association shall have two classes of voting membership.

- (a) Class A. Class A Members shall be all Lot Owners, with the exception of Declarant, and shall be entitled to one (1) vote for each Lot owned, except that when more than one person or entity owns an interest in any Lot, the membership for such Lot shall be shared among the Owners of that particular Lot and the one vote appurtenant to such Lot shall be exercised as they jointly determine, but in no event shall more than one vote be cast with respect to any such Lot.
- (b) Class B. The Class B Members shall be Declarants and shall be entitled to five (5) votes for each Lot owned. Class B membership shall cease and be converted to Class A membership at the conclusion of the Declarant Period of Control.

Whenever in this Bylaws some act or decision requires a vote, approval or consent by the Voting Power, Association, Membership, Members, Owners or Lot Owners, one vote shall be appurtenant to each Lot owned by Class A members and five

votes shall be appurtenant to each Lot owned by the Class B Member, and each of said votes voted or cast shall be counted when determining whether the specified approval has been obtained. Although each of the multiple Owners of a single Lot shall be a Member, in no event shall more than one vote exist or be cast with respect to a single Lot.

ARTICLE V POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 5.03 Powers. The Association shall have all of the powers of a Utah non-profit corporation, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws and this Declaration. The Association shall have the power to perform any and all lawful acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Association. Without in any way limiting the generality of the foregoing, the Association may act through its Board of Directors and shall specifically have the powers and duties set out in this Article V, including

Section 5.03.1 Assessments. The power, authority and right to charge Assessments and to collect payment in accordance with the Declaration.

Section 5.03.2 Association Property. The power, authority and right to own and/or lease property owned by the Association. The duty to maintain and manage the Common Areas and Facilities and improvements thereon. In particular the Association shall:

- a. Maintain and repair in an attractive, safe and functional condition the Common Areas and Facilities;
- b. Pay all taxes and Assessments levied upon the Common Areas and Facilities and all taxes and Assessments payable by the Association;
- c. Obtain any water, sewer, gas and electric services needed for the Common Areas and Facilities; and
- d. Do each and every other thing reasonable and necessary to protect and preserve the Common Areas and Facilities, and to manage the Association.

Section 5.03.3 Fair and Reasonable Notice. Notice given in accordance with the provisions of the Revised Utah Nonprofit Corporations Act shall be considered fair and reasonable notice. Unless prohibited by statute, the Association may give notice by text message, e-mail, text message, the Association website, or other electronic notice; provided, however an Owner may by making a written demand to the Association require written notice.

Section 5.03.4 Online Voting. If allowed by statute, secure and verifiable online voting is permitted.

Section 5.03.5 Rules and Regulations. The Board of Directors may adopt, amend, modify, create, expand, or enforce rules and regulations as well as architecture and landscape design criteria. The rules, however, are subject to:

(a) Any express provisions, restrictions and limitations in the Declaration;

(b) The Business judgment rule¹; and

(c) The right of Lot Owners to notice and to disapprove.

Before it adopts or changes a rule or regulation, the Board of Directors must provide the Lot Owners within fifteen (15) days of its meeting advance notice of its intention. Notice is not required in an emergency.² The governing Board must provide an open forum at a Board meeting and provide Lot Owners with a chance to be heard. The Lot Owners may, within sixty (60) days, and by a vote of at least a majority of the total Lot Ownership at a special meeting called for this purpose disapprove the proposed rule or regulation.³

(d) Equal Treatment; Rule Limitations.

(1) The rules must treat similarly situated people the same, although the rules may vary according to the type of service provided.

(2) The rules may not violate the right of Lot Owners to display religious and holiday signs inside their dwelling, although the rules may define the time, place, and manner of displays visible from outside the Dwelling Unit or Lot.

(3) The rules may not regulate the content of political signs, although the Rules may define the time, place, and manner of displays visible from outside the Dwelling Unit or Lot.

(4) The rules may not interfere with a Lot Owner's determination of the composition of his or her household, although they may legally require the occupants to be members of a single housekeeping unit and may limit the total number

¹ The business judgment rule is a presumption of the law that the governing board is acting in best interest of the association and, as a result, the decisions it makes are protected from judicial review in the event there is a loss or the decision turns out to be wrong, so long as the board did not violate its fiduciary duty to act in good faith and not commit a fraud, self-deal or have a conflict of interest, essentially, not to be guilty of intentional misconduct.

² Imminent risk of immediate and substantial harm to person or property.

³ Note: The Board of Directors is NOT required to call a special meeting unless a petition is submitted to it in accordance with the requirements of the Bylaws for a petition to require a special meeting.

of occupants permitted in a Dwelling Unit based its size, configuration and a fair use of the Common Areas.

(5) The rules may not interfere with activities within a Lot or Dwelling Unit if the activity is legal. Limits may be made if the activities are not considered typical for a residential neighborhood, or if the activities create an additional expense for the Association, or if the activities are dangerous or pose a health concern, or if the activities constitute a nuisance, create unreasonable noise or traffic, or are unsightly or annoying, or create secondary smoke issues.

(6) If federal, state or local law permits, rules may be adopted regulating use or behavior inside a Dwelling Unit or Lot, including by way of illustration but not limitation smoking, rentals, noise, traffic and nuisance.

(7) The rules may address a variety of matters such as user fees, the availability of the Common Area and Facilities, the denial of access and use of recreational amenities to trespassers, violators, misusers or abusers, the transfer of lots, rental terms, the disposal of personal property, etc.

(8) The rules may regulate the maintenance and use of the Common Area and Facilities, late fees, accruing interest, indemnity, etc.

(9) No rule may be in conflict, inconsistent or incongruent with the Declaration and Bylaws. If any provision of this subsection is held to be illegal, invalid, or unenforceable under any present or future law, then that provision will be fully severable. This subsection will be construed and enforced as if the illegal, invalid, or unenforceable provision had never comprised a part hereof, and the remaining provisions of this subsection will remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance from this subsection. Furthermore, in lieu of each such illegal, invalid, or unenforceable provision, there will be added automatically, as a part of this subsection, a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid and enforceable.

ARTICLE VI OFFICERS AND THEIR DUTIES

Section 6.01 Enumeration of Officers. The officers of the Association shall be a President and Secretary, plus such other officers as the Board of Directors may from time to time by resolution create. The same individual may not concurrently hold the office of President and Secretary. The officers need not be Directors.

Section 6.02 Election of Officers. The Board of Directors shall elect or appoint officers at the first meeting of the Board of Directors during each calendar year.

Section 6.03 Term. Each officer of the Association shall hold office for one (1) year unless he shall sooner resign or shall be removed or otherwise disqualified to serve.

Section 6.04 Special Appointments. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may from time to time determine.

Section 6.05 Resignation and Removal. Any officer may be removed from office with or without cause by a majority vote of the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.06 Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

Section 6.07 President. The President shall (a) preside at all meetings of the Board of Directors, (b) see that orders and resolutions of the Board of Directors are carried out and (c) sign all contracts.

Section 6.08 Secretary. The Secretary shall (a) record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Association, (b) keep the corporate seal of the Association and affix it on all papers requiring said seal, (c) serve notice of meetings of the Board of Directors and of the Association, (d) keep appropriate current record showing the Members of the Association together with their addresses and (e) perform such other duties as may be required by the Board of Directors.

ARTICLE VII SUBCOMMITTEES

Section 7.01 Subcommittees. The Board of Directors may appoint such committees as deemed appropriate in carrying out its purpose.

ARTICLE VIII BOOKS AND RECORDS

Section 8.01 Books and Records. The books and records shall be kept with detailed accounts of the receipts and expenditures affecting the Tract, and the administration of the Tract, specifying the maintenance, repair and any other expenses incurred. The books and records, including any invoices, receipts, bills, proposals, documents, financial statements, and vouchers accrediting the entries thereupon shall be available for examination by the Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner that shall be set and announced by the Board of Directors for the general knowledge of the Owners. All books and records shall be kept in accordance with generally accepted accounting practices.

Section 8.02 Production of Records. The Association shall: (a) keep detailed, accurate records in chronological order, of the receipts and expenditures affecting the Common Areas and Facilities, specifying and itemizing the maintenance and repair expenses of the Common Areas and Facilities and any other expenses incurred; and (b) make those records available for examination by any Lot Owner or Owners at a convenient hour during the regular work week no later than fourteen (14) days after the Lot Owner makes a written request to examine the records.

Section 8.03 Signatures. All checks, drafts, contracts, and legally binding agreements must be signed by an individual or individuals authorized in writing by the Board.

Section 8.04 Bookkeeping. The accounting and financial statements for Association must be kept and prepared by either the property manager or an independent bookkeeper or accountant, who may not be a member of the Board of Directors or an officer of the Association. A monthly profit and loss statement, balance sheet, and check register shall be sent or delivered designee by the bookkeeper or accountant to each Member and Association or their designee. The accountant or bookkeeper shall prepare and file all tax returns for the Association.

Section 8.05 Audit. A majority vote of either the Directors or the Lot Owners shall be necessary and sufficient to require either a Compilation Report, Reviewed Statement or Audited Statement of the Association.

ARTICLE IX AMENDMENTS

Section 9.01 Amendment to Bylaws. During the Declarant's Period of Control any amendment to these Bylaws shall require the affirmative written vote or consent of at least sixty seven percent (67%) of the Lot Owners cast either in person or by proxy at a meeting duly called for such purpose or otherwise approved in writing by such Owners without a meeting, when the Declarant has voted in favor of the amendment. During the Declarant's Period of Control, where the Declarant does not vote in favor of the amendment, any amendment to these Bylaws shall require the affirmative written vote or consent of at least ninety percent (90%) of the Lot Owners cast either in person or by proxy at a meeting duly called for such purpose or otherwise approved in writing by such Owners. Following the expiration of the Declarant's Period of Control any amendment to these Bylaws shall require the affirmative written vote or consent of at least sixty seven percent (67%) of the Lot Owners cast either in person or by proxy at a meeting duly called for such purpose or otherwise approved in writing by such Owners without a meeting. Notwithstanding the foregoing, these Bylaws may be amended unilaterally by the Declarant until the expiration of the Declarant's Period of Control.

Section 9.02 Conflict Between Articles, Bylaws and Declaration. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall in all respects govern and control.

ARTICLE X MISCELLANEOUS

Section 10.01 Miscellaneous. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

The undersigned have executed this document on the dates set forth below.

DECLARANT

State of Utah, School and Institutional Trust Lands Administration

By:

~~Kyle Pasley~~

ACKNOWLEDGMENT

STATE OF UTAH)
 ss:
COUNTY OF WASHINGTON)

On this 26 day of September, 2023, before me personally appeared Kyle Pasley, whose identity is personally known to me or proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that he/she is the Managing Director of State of Utah, School and Institutional Trust Lands Administration, and that the foregoing instrument was signed by him/her in behalf of said agency with appropriate authority, for the uses and purposes herein mentioned, and said Kyle Paisley acknowledged to me that said agency executed the same.

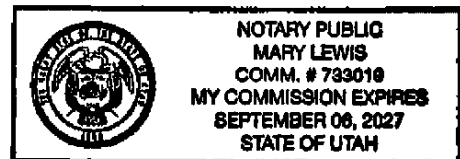
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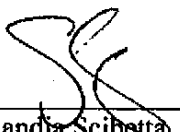
DIRECTORS

Aaron Langston, President

Gregg McArthur, Vice President

Mary Lewis, Secretary





Shandia Scibetta, Treasurer