

# **NORTH HIGHLAND LAKE ROAD ASSOCIATION BY-LAWS**

## **ARTICLE I- NAME**

1.1 The name of this corporation is North Highland Lake Road Association [Association].

1.2 The Corporation shall be a Maine Non-profit Corporation as established in 2001.

*To ensure the most accurate understanding of this document, definitions for key terms are provided on Page 8.*

## **ARTICLE II – PURPOSE**

2.1 It is one of the stated purposes of this Association to perpetually manage and maintain the certain private ways known as Candlewyck Road, Goodwin Lane, Intervale Road, Pilgrim Lane, Swan Road and #74-141 Vista Drive, and two Right of Ways known as Goodwin Lane extension and Swan Road extension location in the Town of Windham, County of Cumberland and State of Maine (herein reference as the “Common Improvements”) or to contract with the Town of Windham to maintain. Such obligation incidental to that stated purpose shall include the obligations to manage, repair, clean, periodically inspect and authorize to plow Common Improvement. Specifically, this document grants the Association the right to maintain and improve the existing road system within the stipulations of these By-Laws and other approved actions by the Association members.

2.2 Additional purposes of this corporation is to establish an Association of members for the fulfillment and enforcement of the responsibilities described above. In addition to all the powers, authority and responsibility as granted to or imposed upon this Association by the laws of the state of Maine, all in which this Association shall have, this Association shall have the following specific powers to the fullest extent permitted by law:

2.2.1 The right to levy and collect assessments and other charges for members to maintain and perpetually Manage Candlewyck Road, Goodwin Ln., Intervale Road, Pilgrim Lane, Swan Road and Vista Drive #74-141; to purchase, maintain, repair, replace and restore real and personal property; to acquire real and personal property, to appoint agents, to hire employees, to make contracts; to promote rules and regulations for the members of the Association; and generally to do any and all lawful acts necessary or convenient for the fulfillment of the foregoing purpose and to exercise all powers and purposes permitted under Title 13-B of the Maine Revised Statutes, as amended.

2.2.2 The right to post and maintain signage along the road system related to, but not limited to, traffic speed, parking restrictions, and heavy load access as approved by the Association.

2.2.3 The right to assess a one-time charge of five-hundred dollars [\$500] to a landowner constructing any type of building over seven hundred [700] square feet in area. This money shall be incorporated into the Association general operating budget to cover adverse road impacts from construction trucks and/or equipment.

2.3 This Association is not organized for profit. Monies collected will be used for operating costs.

### **ARTICLE III - MEMBERSHIP**

3.1 Each owner of one or more continuous lots contained with an inhabitable dwelling on Candlewyck Road, Goodwin Lane, Intervale Road, Pilgrim Lane, Swan Road and Vista Drive #74-141 in the Town of Windham is a member of the Association providing the owner pays in full applicable annual dues and assessments to the Association.

3.2 If two or more individuals jointly own an inhabitable dwelling on one of the private ways maintained by the Association, the joint owners will have to select one individual to be the voting member, providing they pay the annual dues and assessments to the Association for owning the property.

3.3 Additional roads can be added to the Association by a vote of the membership in accordance with the North Highland Lake Road Association By-Laws.

3.4 No member of the Association will receive any pay, compensation or benefits from the Association for being a member.

3.5 These bylaws do not and will not prohibit the reimbursement of incidental expenses necessarily incurred in the business of the Association by an officer duly authorized and also will not prohibit the employment of persons, including members, to perform duties for the Association and receive compensation, upon proper authorization, by the Board of Directors.

### **ARTICLE IV – MEETING OF MEMBERS**

4.1 Meetings of the membership shall be held at such place as may be specified in the notice of the meeting.

4.2 The annual meeting of the members shall be held each year on the second Tuesday in the month of June, unless otherwise specified on the event notice. At such meetings the members of the Board of Directors will be elected by ballot in accordance with Article VI. The members shall transact each order of business on the agenda.

4.3 In the absence or disability of the President, it is the duty of the Vice President to call a special meeting of the members as directed by the Board of Directors, or upon the petition signed by twenty-five percent [25%] of the membership of the Association. The notice of any special meeting shall state the time, place and purpose thereof. No business shall be transacted at a special meeting except as stated on said notice.

4.4 It shall be the duty of the Secretary, or upon his/her failure or neglect then of any officer or member, to hand deliver, email or mail by United States mail, a notice of each annual or special meeting stating the purpose, the time and place thereof to each member of record. With respect to any special meeting such notice shall be mailed or emailed at least fourteen [14] days but no more than [30] days prior to the date set.

4.5 Each Member shall be entitled to one [1] vote even if a member owns in whole or in part more than one lot on a private way maintained by the Association. Each question presented at a meeting shall be determined by a vote of the majority of the members present. As used in these By-Laws, the terms “majority of members” shall mean more than fifty [50%] percent of the

members present in person or by proxy and voting in any meeting of the members.

4.6 A vote of any member may be cast by a proxy person. Each proxy must be filed in writing with the Secretary prior to the commencement of the meeting.

4.7 That order of business at all meetings of the members shall be as follows:

4.7.1 Reading of minutes for precedent meeting for approval of same;

4.7.2 Reports of Board of Directors or of officers;

4.7.3 Report of committees, if any;

4.7.4 Election of members of the Board of Directors (when so required);

4.7.5 Unfinished business;

4.7.6 Determination and approval of annual assessments (when so required); and

4.7.7 New business

#### **ARTICLE V - DUES**

5.1 The members of the Association shall have the power to raise money in order to pay legitimate expenses and to pay for all lawful expenditures by dues or assessments. The dues of the Association and the amount of any assessment shall be fixed by voting members at each annual meeting, or at a special meeting called for that purpose, after taking into account operating expenses and necessary funds to carry out and promote the purposes and interests of the Association.

5.2 Annual membership dues are two hundred dollars [\$200].

5.3 Members will be presented with a bill, in writing, no later than 60 days prior to the annual meeting. After 60 days, an additional bill will be sent, in writing, to the address on file. After such time the Association reserves the right to report past due payment to credit reporting agencies and record a lien on the property in the amount due. Delinquent parties shall be responsible for any fees, including reasonable attorney's fees, and costs associated with placement, recording, enforcement and removal of a lien.

#### **ARTICLE VI – BOARD OF DIRECTORS**

6.1 The management and maintenance of the Common Improvement of the Association shall be governed by the Board of Directors that shall consist of a minimum of five [5] persons and preferably seven [7].

The Board of Directors will consist of the officers; President, Vice President, Secretary and Treasurer and at a minimum one additional Director which shall be a Road Commissioner, Webmaster and/or Director. In no event can a member and the spouse of that member both simultaneously serve or function as Directors or officers.

6.2 The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association, and shall have all powers and duties referred to in the statutes of the State of Maine pertaining to corporations without capital stock, as amended from time to time. The power of the Board of Directors shall include, but not be limited to the following:

6.2.1 To elect the officers (i.e. President, Vice President, Treasurer, Secretary, Webmaster, Road Commissioner and a Director,) within the Board of Directors for two-year terms;

6.2.2 To administer the affairs of the Association;

6.2.3 To provide for the maintenance of the Common Improvement;

6.2.4 To estimate an annual operating budget and the annual assessment so related to the Common Improvement, and submit them to the members for approval at the annual meeting.

6.3 At the annual meeting of the members, Directors/Officers shall be elected by written ballot of the membership. All terms of directorship shall be two [2] years. Directors may be re-elected without limitation. The Directors shall hold office until their successors have been elected and qualified.

6.4 Vacancies on the Board of Directors caused by any reason, including the failure of a Director to continue to meet the qualifications of office, shall be filled within 30 days from the vacancy. The decision shall revert to the Directors to choose a representative from the members.

6.5 The Board of Directors shall hold monthly meetings as needed. The President or a majority of the Board may call a special meeting of the Board within five [5] days notice to each Director by mail, email or telephone.

6.6 At all meetings of the Board of Directors, four [4] of the Directors shall constitute a quorum and the transaction of business and any action may be taken by majority of three [3] of the Directors. If a Director is unable to attend, but wishes to be heard on a matter they may submit an email or letter prior to or during the meeting. This letter or email will serve as their proxy vote and will be filed with the meeting notes. This meeting can be in person or through electronic communication.

6.7 Any Director may be removed from the office by the majority vote of the Members, whose signatures have been presented to the Board. The Board of Directors may also remove a Director with a majority vote of all active Directors.

6.8 The Directors and all officers of the Association shall not be liable to the Association for any mistakes of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Association shall indemnify and hold harmless all officers and Directors against all contractual liability to others arising out of contracts made by the Board of Directors or officers on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of these By-Laws.

#### **ARTICLE VII – BOARD OFFICERS**

7.1 The officers within the Board of Directors shall be a President, Vice President, Secretary, and Treasurer, each of whom shall be Directors. All officers shall hold office at the pleasure of the Board of Directors.

7.2 Any officer may be removed at any meeting by the affirmative vote of the majority of the

Directors, either with or without cause, and the Board of Directors at the meeting thereof may fill any vacancies in any office.

7.3 Each respective officer of the Association shall have such powers and duties as are usually vested in such officer of a corporation without capital stock, including but not limited as follows;

7.3.1 The President shall be a director and the Chief Executive Officer of the Association and shall preside at all meetings of the members and of the Board of Directors.

7.3.2 The Vice President shall assume the duties of the President in his/her absence, and shall be responsible for all committees.

7.3.3 The secretary shall keep the minutes of all meetings of the members, and of the Board of Directors, and shall have charge of the membership transfer books and such other books, papers and documents as the Board of Directors may prescribe.

7.3.4 The Treasurer shall be responsible for Association funds and securities and for keeping and reporting to the Board and Members full and accurate accounts of all receipts and disbursements of the Association. The Treasurer shall be required to get approval of a majority of the Board of Directors for any and all checks.

7.3.5 The Road Commissioner shall be responsible to determine what repairs and maintenance is needed for upkeep of the roads covered by the Association. The Road Commissioner will be responsible for obtaining work estimates and to arrange such maintenance and repairs as the Board of Directors directs and/or authorizes.

7.3.6 The Webmaster shall be responsible for maintenance of the Association online web site. The Webmaster will work with the Board of Directors to determine content.

7.3.7 The Director shall be responsible for assisting the officers and Board of Directors in carrying out the duties of the Association. The Director may also be the primary contact for the members.

7.3.8 No member may hold two offices at the same time.

7.3.9 No officer shall receive any pay, compensation or benefits from the Association directly or indirectly for performing their duties. This bylaw will not prohibit the reimbursement of incidental expenses necessarily incurred in the business of the Association by an officer duly authorized.

## **ARTICLE VIII - INSURANCE**

8.1 The Board of Directors shall obtain and maintain, to the extent available, a policy of liability insurance for the benefit and protection of the Association Officers and all the property owners, naming this Association as the insured. This policy shall protect the Association from liability arising from the usage of the roads of the Association by any person or persons, but said policy will not insure for the protection of any property owner for any liabilities incurred upon their property as to which it shall be the separate responsibility of the property owners to insure. Such

insurance shall, unless the same is not obtainable, be maintained in the amount equal to one million dollars (\$1,000,000).

8.2 Any liability policy shall, unless the same is not obtainable, provide:

8.2.1 that such policy may not be canceled, terminated or substantially modified without at least thirty (30) days notice to the Association;

8.2.2 for waiver of subrogation as to any claims against the Association, the Officers, Directors and their respective employees, agents and guests;

8.2.3 for waivers of any defense based upon the conduct of any insured; and

8.2.4 in substance and effect that the insurer shall not be entitled to contribution as against any casualty insurance, which may be purchased separately by property owners.

8.2.5 The cost of all such insurance obtained and maintained by the Directors pursuant to the provisions of this Section shall be an Association expense. 8.2.6 The property owners comprising the Association shall indemnify and hold harmless each of the Directors against all contractual liability to others arising out of contracts made by members of the Directors on behalf of the Association, unless any such contract shall have been made in bad faith or contrary to the provision of these By- Laws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association.

#### **ARTICLE IX – OPERATION OF THE ASSOCIATION**

9.1 The fiscal year of the Association shall begin on the first day of January each year, except for the first fiscal year of the Association, which shall begin at the date of the incorporation of the Association. The commencement date of the financial year herein established shall be subject to change by the Board of Directors.

9.2 Books and accounts of the Association shall be kept under the direction of the Treasurer and in accordance with customary accounting principles and practices. The Association shall furnish its members with a statement of the income and disbursement of the Association for each fiscal year at the annual meeting.

9.3 No later than thirty [30] days prior to each Annual Meeting of the members of the Association, the Board of Directors shall estimate the Common Expenses for the following calendar year and shall present such estimates to the members at the Annual Meeting as the proposed budget for such calendar year. Such proposed budget shall include anticipating expenses of the Association, including without limitation Common Improvement repair and maintenance, insurance, contributions to reserves for major repairs or replacement of any Common Improvement property. The annual assessments required to meet estimated Common Expenses for each year should be approved by the members of the Association at their Annual Meeting to be held each year in the month of June prior to the commencement of the fiscal year to which the estimated budget of Common Expenses applies.

9.4 All assessments shall be billed no later than January first by the Treasurer of the Association

sending the bills therefore to their respective members at the address recorded in the Secretary's records either personally or by placing a bill in the United States mail, postage prepaid, addressed to the members aforesaid. All sums so assessed and billed shall become due no later than sixty [60] days after the date of mailing or of hand delivery of each such bill.

9.5 The members of the Association may from time to time at special meetings levy additional assessments for the purpose previously provided by the majority of votes.

9.6 The Association is not responsible for personal injury or property damage incurred by contractors, members, or other parties conducting work and/or service activities approved by the Association.

#### **ARTICLE X- RIGHT OF WAY(S)**

10.1 Swan Road Extension and Goodwin Extension are the two Right of Ways. These Right of Ways (ROWs) are for the use of those property owners who have the right of access listed in their property deeds. The Right of Way (ROW) rules will be governed and rules voted upon only by those property owners with the access to the Right of Way listed in their deeds (members).

10.2 The use of the right of way is subject to the phrase "leave only footprints", and "carry in/carry out".

10.3 It is the personal responsibility of those using the right of way to see that it is left clean and allows easy access to those who have the rights to use it.

10.4 A member or immediate family member with deeded ROW must be present when using the ROW. Members with the deeded ROW cannot give permission to non-deeded friends, neighbors, relatives etc to use the ROW without said member present.

10.5 Noise and other courtesies must be considered for the other members of the Association, especially those adjacent to the right of way.

10.6 Small boats, canoes and kayaks may be left along the sides of the ROW for the convenient use of the members as long as they do not constrain the access through the ROW and are marked with the address of the resident.

10.7 Small boats, canoes and kayaks must be removed from the ROW by the first snowfall each year.

#### **ARTICLE XI - CONTRACTORS**

11.1 Any contractor hired to work on the roads must be approved by the Directors/Board.

11.2 All bids shall be sealed until the Board meets to review.

11.3 Work estimated under a value of \$1000 will require a minimum of one bid or the approval of the Board.

11.4 Work estimated over a value of \$1000 will require competing bids.

#### **ARTICLE XII - AMENDMENTS**

12.1 These By-Laws may be amended from time to time by the majority vote of members

present at the meeting.

### **ARTICLE XIII - DISILLUSION**

13.1 In the event the Association will ever be dissolved, none of its assets will insure to the benefit of any Officer, Director or member. Additionally, all residual funds shall be distributed equally for work on all of the roads.

### **ARTICLE XIV - MISCELLANEOUS**

14.1 The use of the singular number in these By-Laws shall be deemed to include the plural, the plural of singular, and use of any one gender shall be deemed applicable to all genders.

14.2 The invalidity of the provisions of these By-Laws shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of the By-Laws, and in such event, all other provisions of these By-Laws shall continue in full force and effect if such valid provisions had been included herein.

### **DEFINITION OF KEY TERMS**

**Annual dues-** Monies collected from Association members to support the yearly operations of the road system. Payment schedules will be annual however alternative payment arrangements can be made with the Board. See also Article V.

**Assessments-** Monies collected from Association members, in addition to annual dues, to support approved emergency or special projects along the road system. See also Article V.

**Association-** Non-profit corporation intended to manage the maintenance and improvements of the road system which include Candlewyck Road, Goodwin Lane, Intervale Road, Pilgrim Lane, Swan Road and Vista Drive [#74-#141] , and two right of ways known as Goodwin Lane extension and Swan Road extension located in the town of Windham, County of Cumberland and State of Maine. Also known as the Highland Lake Road Association. Additional dwellings will be added as developed within the Association on roads within the Association. See also Article II.

**Board of directors-** A group of five to seven persons representing the Association and charged with the administration/management duties of the Association's business. See also Article VI.

**By-laws-** A document defining the Association's guidelines for operation.

**Inhabitable Dwelling-** Permanent structure intended for the full or part-time housing of people.

**Lot-** Parcel of land as defined by the Town of Windham tax map.

**Member-** Each owner of one or more continuous lots containing an inhabitable dwelling adjoining the Association road system, for which the owner pays in full applicable annual dues and any assessment to the Association. See also Article III.

**Proxy-** The authority to represent and vote on behalf of someone else.