

MIDWAY RANCHES FIRE PROTECTION DISTRICT BY-LAWS

ARTICLE I REASON FOR EXISTENCE

WHEREAS, in all regulated societies, certain constitutions and/or by-laws are adopted as necessary for the good order thereof, we, the Board of Directors of the Midway Ranches Fire protection District, County of Pueblo, and State of Colorado, do for the purpose of furthering objectives for which we stand united, agree to support the following by-laws:

SECTION 1 Purpose

The purpose of this organization is to protect life and/or property from the consequences of fire and/or other emergency, to promote the health and welfare of the Midway Ranches Community.

SECTION 2 Organization

The Midway Ranches Fire Protection District shall consist of not more than five (5) Board Members. For the purposes of these By-laws "District" shall mean the Midway Fire protection District.

SECTION 3 Rules of Order

Unless otherwise stated herein, conduct of all meetings shall be governed by the 9th edition of "Roberts Rules of Order Newly Revised".

SECTION 4 Principal Office

The principal office for the District has not yet been established. For the interim, the official mailing address for the District will be 5553 Salt Cedar Road, Pueblo, Colorado 81008.

SECTION 5 Other Offices

The District may also have an office or offices in such other place or places as the business of the District may require and the Board of Directors may from time to time appoint.

ARTICLE II MEETINGS AND MEMBERS

SECTION 1. Annual Meeting

The annual meeting of the District shall be held on the second Wednesday of November, if not a legal holiday, and if a legal holiday then the next succeeding day not a legal holiday, for the purpose of the transaction of District business as may come before the meeting.

SECTION 2. Regular Meetings

Regular meetings of the members shall be held on the second Wednesday, of each month at the principal office of the District and shall convene at 6:30 p.m., except as altered by Section 4.

SECTION 3. Special Meetings

Special meetings of the members may be called at any time for any purpose or purposes by the Chairman of the Board, the President, by a Vice President, or by a majority of the Board of Directors, and shall be called forthwith by the President of the Board, by a Vice President, the Secretary or any director of the District upon the request in writing of a majority of the Board. Such request shall state the purpose or purposes of the meeting. Business transacted at all special meetings of members shall be confined to the purpose or purposes stated in the notice of the meeting.

SECTION 4. Place of Holding Meetings

All meetings of members shall be held at the principal office of the District or elsewhere in Pueblo County as designated by the Board of Directors.

SECTION 5. Notice of Meetings

Written notice of each Annual and Special meeting shall be mailed, postage prepaid by the Secretary, to each Board member of record entitled to vote thereat at his post office address, as it appears upon the books of the District, at least ten (10) days before the meeting. In addition, a notice shall also be posted, available to the public, in a conspicuous place to allow taxpaying electors to attend, if they wish. Each such notice shall state the place, day, and hour at which the meeting is to be held and, in the case of any special meeting, shall state briefly the purpose or purposes thereof.

SECTION 6. Quorum

The presence in person or by proxy of a majority of the members of the Board eligible to vote shall constitute a quorum at all meetings of the members except as otherwise provided by law, or by these By-Laws. If less than a quorum shall be in attendance at the time for which the meeting shall have been called, the meeting may be adjourned from time to time by a majority vote of the members present or represented, without any notice other than by announcement at the meeting, until a quorum shall attend. At any adjourned meeting at which a quorum shall attend, any business may be transacted which might have been transacted if the meeting had been held as originally called.

SECTION 7. Conduct of Meetings

Meetings of members shall be presided over by the President of the District or, if he is not present, by a Vice President, or, if none of said officers is present, by a chairman to be elected at the meeting. In the absence of the Secretary, the presiding officer may appoint a person to act as Secretary of the meeting.

SECTION 8. Voting

At all meetings of the Board, every member shall have one (1) vote. Such vote may be either in person or by proxy appointed by an instrument in writing subscribed by such member or his duly authorized attorney, bearing a date not more than three (3) months prior to said meeting, unless said instrument provides for a longer period. Such proxy shall be dated, but need not be sealed, witnessed or acknowledged. All elections shall be had and all questions shall be decided by a majority of the votes cast at a duly constituted meeting, except as otherwise provided by law, in the these By-Laws. Any member who has failed to attend two of the previous twelve meetings shall not be eligible to vote. If the chairman of the meeting shall so determine, a vote by ballot may be taken upon any election or matter, and the vote shall be so taken upon the request of two (2) or more Board members entitled to vote on such election or matter. In either of such events, the proxies and ballots shall be received and be taken in charge and all questions touching the qualification of voters and the validity of proxies and the acceptance or rejection of votes, shall be decided by a public count.

SECTION 9. Identity of Members

The Board members of the District shall be composed of those members who shall have been elected, or in the case of a vacancy, appointed as such by a majority of the entire Board of Directors; and shall retain their status as members for as long as their terms apply and satisfy the Standards of Conduct as established by the Board of Directors from time to time.

ARTICLE III BOARD OF DIRECTORS

SECTION 1 General Powers

The property and business of the District shall be managed under the direction of the Board of Directors of the District.

SECTION 2 Number and Term of Office

The number of directors shall be five (5). Two (2) Directors shall initially each serve for a period of one (1) year. Three (3) Directors shall serve for a period of Two (2) years. After the first year's election, all Directors will serve two (2) year terms. Terms of office shall be staggered so that at each annual election, two (2) or three (3) directors shall be elected.

SECTION 3 Nomination and Election of Directors

All elections will be held in accordance with Colorado Revised Statutes.

SECTION 4 Filling of Vacancies

In the case of any vacancy in the Board of Directors through death, resignation, disqualification, removal or other cause, the remaining directors, by affirmative vote of the majority thereof, may elect a successor to hold office. The successor to the Director whose place shall be vacant, shall hold office for the remaining portion of the term and until the election of his successor.

SECTION 5 Place of Meeting

The Board of Directors may hold their meetings and have one or more offices, and keep the books of the District, either within or outside the County of Pueblo, at such place or places as they may from time to time determine by resolution or by, written consent of all the directors

SECTION 6 Regular Meetings

Regular meetings of the Board of Directors may be held without notice at such time and place as shall from time to time be determined by resolution of the Board, provided that notice of every resolution of the Board fixing or changing the time or place for the holding of regular meetings of the Board shall be posted, available to the public, in a conspicuous place to allow taxpaying electors to attend, if they wish, at least one (1) day before the meeting held pursuant thereto. Each Director may waive such notice. Any business may be transacted at any regular meeting of the Board.

SECTION 7 Special Meetings

Special meetings of the Board of Directors shall be held whenever called by any member of the Board of Directors. The Secretary shall post, available to the public, in a conspicuous place to allow taxpaying electors to attend, if they wish, at least one (1) day before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at any special meetings. At any meeting at which every director shall be present, even though without notice, any business may be transacted and any director may in writing waive notice of the time, place and objectives of any special meeting.

SECTION 8 Quorum

A majority of the whole number of Directors shall constitute a quorum for the transaction of business at all meetings of the Board of Directors, but, if at any meeting less than a quorum shall be present, a majority of those present may adjourn the meeting from time to time, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by, law or by these By-Laws.

SECTION 9 Required Vote

An affirmative vote of a majority of those present shall be necessary for the passage of any resolution.

SECTION 10 Compensation of Directors

Directors shall not receive any stated salary for their services. Nothing herein contained shall be construed to preclude any director from serving the District in any other capacity, and receiving compensation therefor.

ARTICLE IV ADMINISTRATIVE OFFICERS

SECTION 1 Election, Tenure and Compensation

The administrative officers of the District shall be a President, a Vice President, a Secretary, and a Treasurer, and also such other officers as the Board of Directors from time to time may consider necessary for the proper conduct of the business of the District. The Board of Directors at its first meeting following the annual election shall elect the President and Chairman of the Board. Any two or more of the above offices, except those of President and Vice President, may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity if such instrument is required by law or by these By-Laws to be executed, acknowledged or verified by any two or more officers. There will be no compensation or salary paid to the Directors of the District.

In the event that any office other than an office required by law, shall not be, or, once filled, subsequently becomes vacant, then such office and all references thereto in these By-Laws shall be deemed inoperative unless and until such office is filled in accordance with the provisions of these By-Laws.

SECTION 2 Powers and Duties of the President and Chairman of the Board

The President and Chairman of the Board shall preside at all meetings of the Board of Directors unless the Board of Directors shall by a majority vote of a quorum thereof elect a chairman other than the Chairman of the Board to preside at meetings of the Board of Directors. He may sign and execute all authorized bonds, contracts or other obligations in the name of the District; and he shall be ex-officio a member of all standing committees.

The President and Chairman of the Board shall be the chief executive officer of the District and shall have general charge and control of all its business affairs and properties. He shall preside at all meetings of the District.

He shall do and perform such other duties as may, from time to time, be assigned to him by the Board of Directors.

SECTION 3 Powers and Duties of the Vice President

The Vice President (unless otherwise provided by resolution of the Board of Directors) may sign and execute all authorized bonds, contracts, or other obligations in the name of the District. The Vice President shall have such other powers and shall perform such other duties as may be assigned to him by the Board of Directors or by the President and Chairman of the Board. In case of the absence or disability of the President and Chairman of the Board, the Vice-President shall perform the duties of that office.

SECTION 4 Secretary

The Secretary shall give, or cause to be given, notice of all meetings of members and directors and all other notices required by law or by these By-Laws, and in case of his absence or refusal or neglect to do so, any such notice may be given by any person thereunto directed by the President and Chairman of the Board, or by the directors or members upon whose written request the meeting is called as provided in these By-Laws. The Secretary shall record all the proceedings of the meetings of the members and of the directors in books provided for that purpose, and he shall perform such other duties as may be assigned to him by the directors or the President. He shall have custody of the seal of the District and shall affix the

same to all instruments requiring it, when authorized by the Board of Directors or the President, and attest the same. In general, the Secretary shall perform all the duties generally incident to the office of Secretary, subject to the control of the Board of Directors and the President and Chairman of the Board.

SECTION 5 Treasurer

The Treasurer shall have custody of all the funds and securities of the District, and he shall keep full and accurate account of receipts and disbursements in books belonging to the District. He shall deposit all moneys and other valuables in the name and to the credit of the District in such depository or depositories as may be designated by the Board of Directors.

The Treasurer shall disburse the funds of the District as may be ordered by the Board of Directors, taking proper vouchers for such disbursements. He shall render to the President and Chairman of the Board and the Board of Directors, whenever either of them so requests, an account of all his transactions as Treasurer and of the financial condition of the District.

The Treasurer shall give the District a bond, if required by the Board of Directors, in a sum, and with one or more sureties, satisfactory to the Board or Directors, for the faithful performance of the duties of his office and for the restoration to the District in case of his death, resignation, retirement or removal from office of all books, papers, vouchers, moneys, and other properties of whatever kind in his possession or under his control belonging to the District.

The Treasurer shall perform all the duties generally incident to the office of the Treasurer, subject to the control of the Board of Directors and the President and Chairman of the Board.

ARTICLE V CORPORATE SEAL

SECTION 1. Seal

In the event that the President and Chairman of the Board shall direct the Secretary to obtain a corporate seal, the corporate seal shall be circular in form and shall have inscribed thereon the name of the District, the year of its organization and the word "Colorado". Duplicate copies of the corporate seal may be provided for use in the different offices of the District but each copy thereof shall be in the custody of the Secretary of the District.

ARTICLE VI BANK ACCOUNTS AND LOANS

SECTION 1 Bank Accounts

Such officers or agents of the District as from time to time shall be designated by the Board of Directors shall have authority to deposit any funds of the District in such banks or trust companies as shall from time to time be designated by the Board of Directors and such officers or agents as from time to time shall be authorized by the Board of Directors may withdraw any or all of the funds of the District so deposited in any such bank or trust company, upon checks, drafts or other instruments or orders for the payment of money, drawn against the account or in the name or behalf of this District, and made or signed by such officers or agents; and each bank or trust company with which funds of the District are

so deposited is authorized to accept, honor, cash and pay, without limit as to amount, all checks, drafts or other instruments or orders for the payment of money, when drawn, made or signed by officers or agents so designated by the Board of Directors until written notice of the revocation of the authority of such officers or agents by the Board of Directors shall have been received by such bank or trust company. There shall from time to time be certified to the banks or trust companies in which funds of the District are deposited, the signature of the officers or agents of the District so authorized to draw against the same. In the event that the Board of Directors shall fail to designate the persons by whom checks, drafts and other instruments or orders for the payment of money shall be signed, as hereinabove provided in this Section, all of such checks, drafts and other instruments or orders for the payment of money shall be signed by the President and Chairman of the Board or a Vice President and countersigned by the Secretary or Treasurer.

SECTION 2 Loans

Such officers or agents of this District as from time to time shall be designated by the Board of Directors shall have authority to effect loans, advances or other forms of credit at any time or times for the District from such banks, trust companies, institutions, Districts, firms or persons as the Board or Directors, shall from time to time designate, and as security for the repayment of such loans, advances, or other forms of credit to assign, transfer, endorse and deliver, either originally or in addition or substitution, any or all stocks, bonds, rights and interests of any kind in or to stocks or bonds, certificates of such rights or interests, deposits, accounts, documents covering merchandise, bills and accounts receivable and other commercial paper and evidences of debt at any time held by the District; and for such loans, advances or other forms of credit to make, execute and deliver one or more notes, acceptances or written obligations of the District on such terms, and with such provisions as to the security or sale or disposition thereof as such officers or agents shall deem proper; and also to sell to, or discount or rediscount with, such banks, trust companies, institutions, Districts, firms or persons any and all commercial paper, bills receivable, acceptances and other instruments and evidences of debt at any time held by the District, and to that end to endorse, transfer and deliver the same. There shall from time to time be certified to each bank, trust company, institution, District, firm or person so designated the signatures of the officers or agents so authorized; and each such bank, trust company, institution, District, firm or person is authorized to reply upon such certification until written notice of the revocation by the Board of Directors of the authority of such officers or agents shall be delivered to such bank, trust company, institution, District, firm or person.

ARTICLE VII STANDARDS OF CONDUCT AND DISCIPLINE

SECTION I:

All Directors of the District are expected to conduct themselves at all times in such a manner as will convey a positive image of the District and will in no way impact or reflect adversely on the District. Whenever a Director fails to follow an appropriate standard of conduct, measures must be taken to correct this situation and to prevent further occurrences

1. Possession of illegal drugs on the premises of the District.
2. Carrying any weapon on District premises, or in District vehicles.
3. Chronic or habitual absenteeism or lateness.

4. Committing any act of sexual harassment.
5. Dishonesty or misrepresenting anything to the District, or Directors.
6. Falsification of information requested on District records or documents.
7. Disorderly, or immoral conduct while in District business.
8. Threatened or actual physical violence or profane or abusive language.
9. An arrest, the filing of a disorderly person or criminal complaint, or the return of an indictment against or conviction of a Board Member for an alleged wrongful activity
10. Arrest or conviction of a Member for an alcohol or drug related traffic offense.

ARTICLE VIII REIMBURSEMENTS

Any payments made to a Board Member shall be for expenses incurred while on District Business. Proper receipts and a full description of the expenditures must accompany all reimbursements requested by a Board Member. Requests for reimbursements shall be submitted to the Treasurer for approval and must be countersigned by the President and Chairman of the Board or the Vice President.

ARTICLE IX MISCELLANEOUS PROVISIONS

SECTION 1 Fiscal Year

The fiscal year of the District shall end on the last day of December.

SECTION 2 Notices

Whenever, under the provisions of these By-Laws, notice is required to be given to any Director it shall not be construed to mean actual notice, but such notice shall be given in writing, in the manner set forth in these By-Laws, by mail, by depositing the same in a post office or letter box, in a postpaid sealed wrapper, addressed to each Director at such address as appears on the books of the District, or in default of any other address, to such Director at the general post office in Pueblo, Colorado, and such notice shall be deemed to be given at the time the same shall be thus mailed. Any Director may waive any notice required to be given under these By-Laws.

SECTION 3 Gender

The use of the masculine, feminine, or neuter gender herein shall be deemed to mean the correct gender applicable, and the use of the singular shall include the plural, or conversely, as the context may require.

ARTICLE X AMENDMENTS

SECTION 1 Amendment of By-Laws.

The Board of Directors shall have the power and authority to amend, alter or repeal these By-Laws or any provision thereof, and may from time to time make additional By-Laws. A full discussion of said amendments, alterations or repeal shall be had at said Regular Meeting and shall have until the next regularly scheduled meeting of the Board of Directors in which to submit comments in writing to the Board. The Board shall consider all comments before acting on said amendments, alterations or repeal.

The affirmative vote of two thirds (2/3) of the Directors present at a meeting at which a proposed By-law amendment is being considered shall be necessary to adopt the amendment, however, a quorum must be present.