

Buckskin Heights Road Association
BOARD MINUTES for Thursday, January 26, 2023
Zoom Meeting • 6:30 pm

ATTENDANCE:

Board Members Present: Brian Abbott (At Large), Mary Arnold (Vice President), Dan McQueen (President), Bill Torrey (At Large), Sue Weber (Treasurer)
Board Member Excused: Cindy Smith (Secretary),
Community Members: Kathy Hingtgen, Luke McOmie, Paul Rutt, Rick Stahl

CALL TO ORDER, WELCOME/INTRODUCTIONS, QUORUM:

The meeting was called to order by President Dan McQueen with quorum present at 6:30pm.

APPROVAL OF AGENDA:

Mary Arnold made a motion to approve the agenda. It was seconded and **approved**.

AGENDA:

Community Input: None at this time.

Secretary's Report: Sue Weber made a motion to confirm the email approval of the minutes from the November 30, 2022 BHRA Board meeting as distributed. It was seconded and **approved**. Secretary Cindy Smith is travelling; Sue volunteered to take the minutes in her absence.

Treasurer's Report:

1. Treasurer Sue Weber reviewed the attached Treasurer's Report. It summarizes the cash on hand, collection of dues for 2022, and the property sales in 2022.
2. Zelle payments are now supported by Wells Fargo and are being used by the membership already.
3. Sue reviewed the "Final YTD 2022 Financial Report," which summarizes the income and expenditures from last year and the proposed budget for 2023. She made a motion to approve the "Final YTD 2022 Financial Report" and the proposed 2023 budget as distributed. It was seconded and **approved**.
4. Sue made a motion to appoint Jodi Abbott and Bonnie Torrey to conduct the 2022 financial audit for the Association. It was seconded and **approved**.
5. Sue reported that 4 working remote controls were turned in by former property owners. The Board agreed to not charge the next 4 members who requested remote controls.

Road Report:

1. Summary of Nov/Dec 2022 Roadwork: Mary Arnold reported that MCMS (Brad & Jesse Moore on Glade Rd) graded nearly all the roads over about 1 month when the road was wet. They added some water turnouts and reestablished others to ensure proper drainage at a cost of \$5,645. This was the first time on the road – they did a nice job on most areas of the road, but there were some areas on Woodchuck where previous work was damaged. Mary will develop a plan with Brian Abbott and Allan Heese to repair damage this summer.
2. Update on Plan for Winter/Spring 2023:
 - A. Mary Arnold encouraged homeowner donations to supplement what the Association can spend.
 - B. Paul Rutt reported that he had removed a tree from the road that had fallen from the easement above his property. There are other trees in our emergency exit on the Katie Conrad property. He and David Smith will contact Katie to determine how to remove the blockage.
 - C. Dan McQueen made a motion to authorize Paul Rutt to remove trees from the easement that are unsafely encroaching on the right-of-way as per *Bylaws*. Bill Torrey volunteered to help. It was seconded and **approved**.

Gate Report/Security:

1. Structural Damage to Gate: The post on the east side of the electronic gate has a broken weld on the substructure. We need to dig it up this spring to repair it, hopefully with the help of Leroy Lawrence.
2. Bill Torrey and Sue Weber pointed out that we need new signage on the electronic gate: replace sign that indicates "standard wide pickups and cars only" and add contact information for reporting damage. Bill will work on this and also survey the rest of the road for signs that need replacement.

Fire Committee Report: Paul Rutt volunteered to work with others to get the Fire Committee reactivated.

Old Business:

1. *Bylaws* Committee (Arnold, Heese, McQueen, Smith, Torrey, Stahl, Weber) have a meeting scheduled with parliamentarian Lola Fehr by Zoom for Mon, Feb 13, 6:30pm.

2. **Scheduling the Special Meeting:** Sue Weber made a motion to hold a special meeting of the Association on Sunday, March 12 at 2:30pm at Rick Stahl's house for the single purpose of discussing and possibly authorizing a subsequent mail ballot on the REEG capital expenditure proposal (attached). It was seconded and **approved**. Sue and Cindy Smith will get the official notice out with the proposal 30 days in advance.

New Business: Bill Torrey made a motion to install a 36" convex safety mirror (\$70-\$150) on the hairpin corner below the McBride property; he will purchase and install it at no cost to the Association. It was seconded and **approved**. The rest of the group expressed sincere appreciation to Bill for this initiative!

Adjournment to Executive Session: Sue Weber made a motion to adjourn the public meeting at 8:10pm. It was seconded and **approved**. No business was conducted at the executive session.

Adjournment: The meeting was adjourned at 8:30pm.

Respectfully Submitted,
Sue Weber, Acting Secretary

Buckskin Heights Road Association Treasurer's Report

Sue Weber – January 26, 2023 (Board Meeting)

1. Checking account balance 1/26/23	=	\$13,055.05
Pending Expenses	=	\$0.00
Pending Deposits	=	\$1,350.00
Checking available	=	\$14,405.05
Savings account balance 1/26/23	=	\$5,007.95
TOTAL AVAILABLE 1/26/23	=	\$19,413.00

2. Dues:

- 2023 – Dues notices sent out January 16-17, 2023 by USPS and email; one posted on gate on January 21, 2023. Dues for 6 of 67 properties (6 of 62 owners) are paid in full.
- Zelle payments are now supported by Wells Fargo. 3 of the 6 dues payments so far are via Zelle.

3. 10 Completed Property Sales in 2022 (18 total since the Cameron Peak Fire, October 2020):

- 1/7/22 – Jeremiah & Sandra May (8857 Otter Ct) to Luke & Melanie McOmie & Jonathan Dilley
- 1/7/22 – Heather Speicher (13728 Raccoon Dr) to Justin Wilson
- 2/8/22 – Pamela Robinson (8315 Gray Squirrel Ct) to Cameron & Alice Louie
- 4/8/22 – Estate of Gregory Nelson (13451 Raccoon Dr) to Justin Wilson
- 4/15/22 – Estate of Stanley Long (13888 Otter Rd) to Sarah Simpkins, James Leslie & Robert Leslie
- 4/26/22 – Joshua Embrey (8220 Raccoon Ct) to Jeffrey Moe
- 7/15/22 – Glenn Heeney & Ann Dean (13328 Otter Rd) to Bethany & Allison Seymour
- 8/30/22 – Airn & Matthew Hartwig (13001 Otter Rd) to Rich & Debbie Evans
- 9/30/33 – Jacob Jandrew & Samantha Walker (13428 Otter Rd) to Hermine & Clinton Culley Trust
- 12/20/22 – Rudy Hansch Trust (12721 Woodchuck Dr) to Darin & Erin Glenn

4. 4 Current Properties for Sale/Pending Closings:

- Keifer Jacobson (13382 Otter)
- Scott & Sharon Lazarowicz (8025 Wolverine Ct)
- Edwin Standard (13960 Otter Rd)
- Jacob Jandrew & Samantha Walker (12727 Otter Rd)

5. Proposed 2023 Budget (attached)

- ### 6. Designation of Committee for 2022 Audit
- Jodi Abbott & Bonnie Torrey have agreed to serve. *Bylaws*, Article II, Section 3. Annual Audit. The Board shall cause the books of the Association to be audited annually by a committee selected by the directors. The fiscal year for the Buckskin Heights Road Association (BHRA) shall be January 1 – December 31.

©2023 Buckskin Heights Road Association
Buckskin Heights Road Association Treasurer's Report for FY2022
 With **PROPOSED** 2023 Budget • January 26, 2023
 EXPENSE/INCOME SUMMARY

A	B	C	D	E	F	NOTES
Category	2021 Actual	2022 Approved Budget	2022 Actual	2022 Difference Over (Under)	2023 PROPOSED Budget	
Bank Fees	\$0	\$0	\$0	\$0	\$0	
Emergency Expense	\$2,025	\$0	\$0	\$0	\$0	
Gate Maintenance	\$0	\$200	\$0	(\$200)	\$500	
Grant Expense	\$0	\$0	\$0	\$0	\$0	
Insurance	\$1,235	\$1,300	\$1,337	\$37	\$1,400	
Legal/Financial	\$61	\$100	\$383	\$283	\$500	
Mailings	\$104	\$100	\$198	\$98	\$300	
Miscellaneous	\$0	\$0	\$0	\$0	\$0	
Road Signs & Accessories	\$0	\$200	\$0	(\$200)	\$500	
Office Supplies	\$99	\$100	\$54	(\$46)	\$100	
Technology	\$0	\$0	\$154	\$154	\$350	
Fire Expense	\$0	\$0	\$0	\$0	\$0	
Transfer to Savings/Emergency Acct	\$0	\$0	\$0	\$0	\$0	
Road Base Homeowner	\$3,950	\$0	\$3,000	\$3,000	\$0	2022: 6 15T loads (Raccoon Rd/Ct); (BHRA: 29 15T loads total)
Road Culverts & Ditchwork	\$1,372	\$4,000	\$1,705	(\$2,295)	\$1,500	
Road Grader Operator	\$14,006	\$14,700	\$18,243	\$3,543	\$16,000	2022: Single grading ~\$3K; with 35 loads road base ~\$9K
Road Base	\$12,933	\$14,000	\$14,349	\$349	\$20,000	40 15T loads
Possible Road Groom Operation						
Possible Road Groom Maintenance						Assumes no Road Groom expenses for 2023
Possible Road Groom Contract						
BHRA Road Expense Subtotal	\$28,311	\$32,700	\$34,296	\$1,596	\$37,500	2022: 35 loads of delivered road base \$17.3K, ~\$500/15T-load
Possible Road Groom Cap Expense						Assumes no Road Groom capital expense for 2023
Expense Subtotal	\$35,784	\$34,700	\$39,423	\$4,723	\$41,150	
Dues & Late Fees	\$30,410	\$29,700	\$41,890	\$12,190	\$30,150	Budgeted Dues Income...
Emergency Donations	\$2,175	\$0	\$0	\$0	\$0	...assumes all 67 properties (65 of 65 owners) pay \$450 annual dues
Interest	\$1	\$1	\$1	\$0	\$6	and includes undesignated donations.
Grant Income	\$0	\$0	\$0	\$0	\$0	
Remote Control Sales	\$16	\$0	\$112	\$112	\$100	
Road Base Homeowner Reimburse	\$3,950	\$0	\$3,004	\$3,004	\$0	
Fire Reimburse	\$0	\$0	\$0	\$0	\$0	
Miscellaneous	\$0	\$0	\$0	\$0	\$0	
Possible Road Groom Assessment						Assumes no Road Groom capital special assessment for 2023
Income Subtotal	\$36,552	\$29,701	\$45,007	\$15,306	\$30,256	
Cash Flow Balance	\$767	(\$4,999)	\$5,585		(\$10,894)	

ASSET SUMMARY

A	B	C	D	E	F	
Category	2021 Actual Ending Balance	2022 Budgeted Ending Balance	2022 Actual Ending Balance	2022 Difference Over (Under)	2023 #1 Budget Ending Balance	
Checking Balance	\$5,978	\$979	\$11,561	\$10,582	\$667	Budgeted Checking Ending Balance...
Savings Balance	\$5,007	\$5,008	\$5,008	\$0	\$5,014	...for 2023 is the 2022 actual ending balance plus the net budgeted
Total Assets	\$10,984	\$5,986	\$16,569		\$5,681	2023 cash flow balance. The target of <\$500 allows for minimum

Fiscal Year 2022 Data Respectfully Submitted for Audit by:
 Suzanne Weber, Treasurer, October 2021-Present Date

Fiscal Year 2022 Data Audited and Approved by:
 BHRA Member Date
 BHRA Member Date

PURCHASE AN 8.5' ROAD GROOM (www.roadgroom.com)
PULL-BEHIND ROAD SMOOTHING IMPLEMENT FOR NO MORE THAN \$15K TO BE OPERATED BY BHRA BOARD-APPROVED RESIDENT(S) IN OPTIMAL WEATHER BETWEEN 3 REGULAR PROFESSIONAL MOTOR-GRADINGS (under Budget Options #1, #2 or #3.)

1. Approval: The Association membership must approve any capital expenditure to purchase the Road Groom by a 2/3 vote of those responding to a mail ballot (Bylaws, Article II, Section 6b).
2. Initial Financing: As of January 2023, we had about \$11K in checking mostly from a one-time dues payment on a long-delinquent property. Our approved 2023 budget without the Road Groom purchase is below. Budget Options #1-3 show options for purchasing the Road Groom, with or without an optional special assessment as follows:
 - A. **Option #1:** Maintain professional road upkeep at 2022 level with a one-time special assessment of \$150/property in addition to current annual dues of \$450/property. Grading costs and road base purchases (29 BHRA loads) would be about the same as 2022.
 - B. **Option #2:** Reduce professional road upkeep with a one-time special assessment of \$100/property in addition to current annual dues of \$450/property. Grading costs would be somewhat reduced because road base purchased (24 loads) would drop by about 20% from 2022.
 - C. **Option #3:** Minimize professional road upkeep with no additional money from property owners. Grading costs would be reduced by about 20% and road base purchased would drop by 50% (15 BHRA loads) from 2022.
3. Ongoing Costs
 - D. Maintenance: Allocate BHRA budget of about \$500/year to maintain the Road Groom – new tines at regular intervals, repair of any incidental damage, etc.

- E. Insurance: No additional insurance is necessary if we budget for maintenance/damage costs (see 3D above and 4H below). Liability/collision insurance will be covered by the owner of the vehicle towing the Road Groom (see 4I below).
- F. Personnel: The Association will budget for an authorized volunteer operator(s) to use personal truck(s) to operate the Road Groom at \$200/smoothing for up to 7 smoothings/year.
- G. Re-establishing/continuing 2022 professional road upkeep in 2023 and beyond would require a \$30/property increase** in road dues in 2023 to cover ongoing maintenance/operating costs (\$1,900).
4. Insurance:
 - H. Damage to the Road Groom cannot be covered by our existing BHRA liability policy – options are a specialized policy or budgeting those costs as regular maintenance.
 - I. Liability insurance on the towing vehicle will be the responsibility of the owner of the vehicle (see 5K below).
5. Board Responsibilities:
 - J. The BHRA Vice President will authorize each use of the Road Groom (Bylaws, Article II, Section 6d); schedule authorized operators (see 5K below); and maintain accurate records of each use (date/time, operator, areas smoothed, weather conditions, any issues, etc).
 - K. The BHRA Board will approve a list of authorized operators who:
 - Have specific experience or been specifically trained to use the Road Groom equipment; and
 - Annually provide proof of adequate insurance (\$500K) on the towing vehicle AND sign an updated “Hold Harmless” agreement (draft attached).
 - L. The BHRA Board will designate specific Association member(s) who will store the equipment and arrange timely maintenance and repairs.

EXPENSE/INCOME SUMMARY

NOTES

A	B	C	D	E	F	G
Category	2021 Actual	2022 Actual	2023 Approved Budget	2023 RG PURCHASE #1 Budget	2023 RG PURCHASE #2 Budget	2023 RG PURCHASE #3 Budget
1 Non-Road Expenses	\$3,524	\$2,126	\$3,650	\$3,150	\$3,150	\$3,150
2 Road Base Homeowner	\$3,950	\$3,000	\$0	\$0	\$0	\$0
3 Road Culverts & Ditchwork	\$1,372	\$1,705	\$1,500	\$1,250	\$1,000	\$750
4 Road Grader Operator	\$14,006	\$18,243	\$16,000	\$15,500	\$15,000	\$13,000
5 Road Base	\$12,933	\$14,349	\$20,000	\$14,500	\$12,000	\$7,500
6 Possible Road Groom Operation				\$1,400	\$1,400	\$1,400
7 Possible Road Groom Maintenance				\$500	\$500	\$500
8 Possible Road Groom Contract						
9 BHRA Road Expense Subtotal	\$28,311	\$34,296	\$37,500	\$33,150	\$29,900	\$23,150
10 Possible Road Groom Cap Expense				\$15,000	\$15,000	\$15,000
11 Expense Subtotal	\$35,784	\$39,423	\$41,150	\$51,300	\$48,050	\$41,300
12 Dues & Late Fees	\$30,410	\$41,890	\$30,150	\$30,150	\$30,150	\$30,150
13 Interest	\$1	\$1	\$6	\$6	\$6	\$6
14 Other Income	\$2,191	\$112	\$100	\$100	\$100	\$100
15 Road Base Homeowner Reimburse	\$3,950	\$3,004	\$0	\$0	\$0	\$0
16 Possible Road Groom Assessment				\$10,050	\$6,700	\$0
17 Income Subtotal	\$36,552	\$45,007	\$30,256	\$40,306	\$36,956	\$30,256
18 Cash Flow Balance	\$767	\$5,585	(\$10,894)	(\$10,894)	(\$11,094)	(\$11,044)

2022: Homeowner 6 loads (+BHRA 29 loads = 35 loads total)
 2022: Single grading ~\$3K; with 35 loads road base ~\$9K
 2023 Approved=40 loads;
 #1=29 loads; #2=24 loads; #3=15 loads
 Possible \$50/hrx4hrs/day=\$200/day, 7/year=\$1,400
 Possible maintenance of Road Groom
 2022: 35 15-T loads of delivered road base \$17.3K, ~\$500/load
 #1-3 Possible purchase of Road Groom**
Budgeted Dues Income...
 ...assumes all 67 properties (62 of 62 owners) pay \$450 annual dues and includes undesignated donations.
Special capital assessment/property #1=\$150, #2=\$100, #3=\$0
 **In 2024 and beyond, re-establishing/maintaining 2022 level grading/materials after Road Groom purchase requires dues increase of \$30/property

ASSET SUMMARY

A	B	C	D	E	F	G
Category	2021 Actual Ending Balance	2022 Actual Ending Balance	2023 Budgeted Ending Balance	2023 RG Purchase #1 Budget Balance	2023 RG Purchase #2 Budget Balance	2023 RG Purchase #3 Budget Balance
19 Checking Balance	\$5,978	\$11,561	\$667	\$567	\$467	\$517
20 Savings Balance	\$5,007	\$5,008	\$5,014	\$5,014	\$5,014	\$5,014
21 Total Assets	\$10,984	\$16,569	\$5,681	\$5,581	\$5,481	\$5,531

Budgeted Checking Ending Balance...
 ...for 2023 is the 2022 actual ending balance plus the net budgeted 2023 cash flow balance. The target of >\$500 allows for minimum bank balance.

THE FOLLOWING TWO RENTAL OPTIONS ARE NOT PART OF THE REEG PROPOSAL. THEY ARE POSSIBLE OPPORTUNITIES THAT THE BOARD MAY CHOOSE TO IMPLEMENT; NEITHER REQUIRES ASSOCIATION APPROVAL.

If the Association votes NOT to purchase the Road Groom, a BHRA resident may purchase it privately and offer it for hire. Another BHRA resident already owns a box grader that is available for hire.

HIRE THE OWNER OF A 8.5' PULL-BEHIND ROAD GROOM (www.roadgroom.com) OR 10' PULL-BEHIND BOX GRADER TO SMOOTH THE ROAD IN OPTIMAL WEATHER BETWEEN 3 REGULAR PROFESSIONAL MOTOR-GRADINGS (Budget Option #4)

1. Approval: The BHRA Board is authorized to enter into reasonable contracts (Bylaws, Article II, Section 6). Association approval is not required.
2. Initial Financing & Ongoing Costs:
 - A. All expenditures would come out of the regular annual budget.
 - B. Possible cost of use for 7 monthly 8-hr smoothings/yr:
 - **Road Groom:** \$6,720/yr – Approximately \$120/hr inclusive of implement, pull vehicle, operator, fuel and all incidentals (subject to inflation). A commitment to a multiple-year contract between BHRA and the equipment owner would be required.
 - **Box Grader:** \$3,920/yr – Approximately \$70 per hour inclusive of implement, pull vehicle, operator, fuel and all incidentals (subject to inflation).
 - C. Maintenance and storage of the Road Groom/box grader and the towing vehicle(s) would be the responsibility of the owner of the Road Groom/box grader and vehicle(s) respectively.

- D. The owner of the Road Groom/box grader would be responsible for arranging, and paying if necessary, the authorized operator(s) (see 4I below) of the equipment for each smoothing.
- E. Maintaining 2022 professional road upkeep in 2023 and beyond would require:
 - Road Groom – \$100/property increase in road dues to cover ongoing contractual costs (\$6,700).
 - Box Grader -- \$60/property increase in road dues to cover ongoing contractual costs (\$3,920).
3. Insurance:
 - F. Liability and damage insurance for the Road Groom/box grader would be the responsibility of the owner.
 - G. The operator of the towing vehicle would provide annual proof of adequate insurance (\$500K) on the towing vehicle AND sign an updated “Hold Harmless” agreement (see 4I below).
4. Board Responsibilities:
 - H. The BHRA Vice President would be responsible for authorizing each use (Bylaws, Article II, Section 6d) of the Road Groom/box grader, subject to 4I below; and maintaining accurate records of each use of Road Groom/box grader (date/time, operator, areas groomed, weather conditions, any issues, etc).
 - I. The owner of the Road Groom/box grader and the BHRA Board would jointly approve a list of authorized operators who:
 - Have specific experience or been specifically trained to use the Road Groom/box grader equipment; and
 - Annually provide proof of adequate insurance (\$500K) on the towing vehicle AND sign an updated “Hold Harmless” agreement (draft attached).

EXPENSE/INCOME SUMMARY

NOTES

	A	B	C	D	H
Category	2021 Actual	2022 Actual	2023 Approved Budget	2023 RG HIRE #4 Budget	
1 Non-Road Expenses	\$3,524	\$2,126	\$3,650	\$3,150	
2 Road Base Homeowner	\$3,950	\$3,000	\$0	\$0	
3 Road Culverts & Ditchwork	\$1,372	\$1,705	\$1,500	\$1,250	
4 Road Grader Operator	\$14,006	\$18,243	\$16,000	\$15,500	
5 Road Base	\$12,933	\$14,349	\$20,000	\$14,500	
6 Possible Road Groom Operation					
7 Possible Road Groom Maintenance					
8 Possible Road Groom Contract				\$6,720	
9 BHRA Road Expense Subtotal	\$28,311	\$34,296	\$37,500	\$37,970	
10 Possible Road Groom Cap Expense					
11 Expense Subtotal	\$35,784	\$39,423	\$41,150	\$41,120	
12 Dues & Late Fees	\$30,410	\$41,890	\$30,150	\$30,150	
13 Interest	\$1	\$1	\$6	\$6	
14 Other Income	\$2,191	\$112	\$100	\$100	
15 Road Base Homeowner Reimburse	\$3,950	\$3,004	\$0	\$0	
16 Possible Road Groom Assessment					
17 Income Subtotal	\$36,552	\$45,007	\$30,256	\$30,256	
18 Cash Flow Balance	\$767	\$5,585	(\$10,894)	(\$10,864)	

2022: Homeowner 6 loads (+BHRA 29 loads = 35 loads total)
2022: Single grading ~\$3K; with 35 loads road base ~\$9K

2023 Approved=40 loads; #4=29 loads

#4 Possible owner contract (3-years) for Road Groom operation *
2022: 35 15-T loads of delivered road base \$17.3K, ~\$500/load

Budgeted Dues Income...
...assumes all 67 properties (62 of 62 owners) pay \$450 annual dues and includes undesignated donations.

*In 2024 and beyond, maintaining 2022 level grading/materials with Road Groom hire requires dues increase of \$100/property

ASSET SUMMARY

	A	B	C	D	H
Category	2021 Actual Ending Balance	2022 Actual Ending Balance	2023 Budgeted Ending Balance	2023 RG Hire #4 Budget Balance	
19 Checking Balance	\$5,978	\$11,561	\$667	\$697	
20 Savings Balance	\$5,007	\$5,008	\$5,014	\$5,014	
21 Total Assets	\$10,984	\$16,569	\$5,681	\$5,711	

Budgeted Checking Ending Balance...
...for 2023 is the 2022 actual ending balance plus the net budgeted 2023 cash flow balance. The target of >\$500 allows for minimum bank balance.

**Buckskin Heights Road Association
HOLD HARMLESS AGREEMENT**

This HOLD HARMLESS AGREEMENT (the "Agreement") is made as of [redacted] (the "Effective Date") by and between Buckskin Heights Road Association (the "Indemnitee"), located at PO Box 352, Masonville, Colorado 80541, and John/Mary Doe (the "Indemnifier"), located at ### XXXXXX Rd, Loveland, Colorado 80538. The Indemnitee and Indemnifier may be referred to individually as the "Party", or collectively, the "Parties".

RECITALS

WHEREAS, the Indemnifier desires to hold harmless and indemnify the Indemnitee from all liabilities, losses, claims, judgments, suits, fines, penalties, demands or expenses that may result from the indemnitee's participation in the activity defined in Section 1.7; and **WHEREAS**, Indemnitee desires indemnity against all liabilities, losses, claims, judgments, suits, fines, penalties, demands or expenses that may result from the Indemnitee's participation in the activity defined in section 1.07.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

SECTION 1: DEFINITIONS AND INTERPRETATIONS

- 1.1 Words in the singular shall include the plural and vice versa.
- 1.2 A reference to one gender shall include a reference to the other genders.
- 1.3 A reference to writing or written includes e-mail.
- 1.4 Any obligation in this Agreement on a Party not to do something includes an obligation not to agree or allow that thing to be done.
- 1.5 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.6 References to sections or clauses are to the sections or clauses of this Agreement.

1.7 "Activity" shall mean: Grading, smoothing, excavating or other work done to improve the surface and/or drainage of private roads managed by the Buckskin Heights Road Association (BHRA-Indemnitee) using equipment rented for that purpose by BHRA or owned by the Indemnifier.

SECTION 2: INDEMNIFICATION

2.1 Indemnification. To the fullest extent permitted by applicable law, the Indemnifier will hold harmless and indemnify the Indemnitee against any and all claims and actions arising out of Indemnitee's participation in the Activity, including, without limitation, expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any liability, suit, action, loss, or damage arising or resulting from the Indemnitee's participation in the Activity, subject to the limits on indemnification described in section 2.02.

2.2 Exceptions. Indemnifier shall not hold harmless and indemnify Indemnitee under the following circumstances:

- (1) against a claim caused by the negligence or fault of the Indemnitee, its agent or employee, or any third party under the control or supervision of the Indemnitee, other than the Indemnifier or its agents, employees or contractors.
 - (2) in a civil action, where the Indemnitee did not act in good faith and in a reasonable manner; and
 - (3) where the actions or conduct of the Indemnitee constituted willful misconduct or the Indemnitee was knowingly fraudulent or deliberately dishonest.
- 2.3 Settlement and Consent. The Indemnitee will not settle any claim or action without first obtaining the written consent of the Indemnifier. The Indemnifier or will not be liable for any amounts paid in settlement of any claim or action where written consent was not obtained.
- 2.4 Cooperation. Both Parties agree to cooperate in good faith and provide any and all information necessary for the defense of any claim or action.

SECTION 3: MISCELLANEOUS

3.1 Representation on Authority of Parties/Signatories. Each Party signing this Agreement represents and warrants that they are duly authorized and have legal capacity to execute and deliver this Agreement. Each Party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such Party's obligations hereunder have been duly authorized, and that this Agreement is a valid and legal

agreement binding on such Party and enforceable in accordance with its terms.

3.2 Amendment. This Agreement may only be changed or supplemented by a written amendment, signed by authorized representatives of each Party.

3.3 Waiver. The waiver of any breach or violation of any term or condition hereof shall not affect the validity or enforceability of any other term or condition, nor shall it be deemed a waiver of any subsequent breach or violation of the same term or condition.

3.4 No waiver of any right or remedy under this Agreement shall be effective unless made in writing and executed by the Party so to be charged. The rights and remedies of the Parties to this Agreement are cumulative and not alternative.

3.5 Entire Agreement. This Agreement constitutes the entire Agreement between the Parties, replacing all other written and/or previous agreements.

3.6 Severability. The Parties acknowledge that this Agreement is reasonable, valid and enforceable. However, if any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, it is the Parties' intent that such provision be changed in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable and the remainder of the provisions of this Agreement will in no way be affected, impaired or invalidated as a result.

3.7 Governing Laws. The validity, construction and performance of this Agreement shall be governed and construed in accordance with the laws of [redacted]

3.8

Colorado, without giving effect to any form of conflict of law provisions thereof. The Federal and State laws located in Colorado shall have sole and exclusive jurisdiction over any disputes arising under the terms of this Agreement.

3.9 Effect of Title and Headings. The title of the Agreement and the headings of its Sections are included for convenience and shall not affect the meaning of the Agreement or the Section.

3.10 Attorney's Fees. If any legal proceeding is brought for the enforcement of this Agreement, or because of an alleged breach, default or misrepresentation in connection with any provision of this Agreement or other dispute concerning this Agreement, the successful or prevailing party shall be entitled to recover reasonable attorney's fees incurred in connection with such legal proceeding. The term "prevailing party" shall mean the party that is entitled to recover its costs in the proceeding under applicable law, or the party designated as such by the court.

3.11 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties, their respective successors and assigns.

3.12 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either Party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

3.13 Counterparts. This Agreement may be executed in counterparts. Facsimile signatures are binding and are considered to be original signatures.

THE UNDERSIGNED HAVE READ, UNDERSTAND and ACCEPT THIS AGREEMENT, and by signing this Agreement, all Parties agree to all of the aforementioned terms, conditions and policies.

XXXXX, President

Buckskin Heights Road Association

Date Signed

John/Mary Doe

Date Signed