



**RESOLUTION OF THE
RIVERDALE DUNES METROPOLITAN DISTRICT NO. 1
REGARDING POLICIES AND PROCEDURES FOR COVENANT AND RULE ENFORCEMENT**

SUBJECT: Adoption of a policy regarding the enforcement of covenants and rules and procedures for the notice of alleged violations, conduct of hearings and imposition of fines.

PURPOSE: To adopt a uniform procedure to be followed when enforcing covenants and rules to facilitate the efficient operation of the District.

AUTHORITY: Section 7 .9 and 7 .10 of the Amended and Restated Master Declaration of Covenants, Conditions, and restrictions for the Dunes Park Subdivision

EFFECTIVE DATE: October 02, 2017

RESOLUTION: The District hereby adopts the following procedures to be followed when enforcing the covenants and rules of the Declaration Document:

1. Reporting Violations:

- a. Complaints regarding alleged violations may be reported by submission of a written complaint by an Owner or resident within the community, a group of Owners or residents, the District's management company, Board member(s) or committee member(s).

2. Complaints:

- a. Complaints by Owners or residents shall be in writing and submitted via email to the District Manager who will assess the complaint and determine if a violation has occurred. The complaining Owner or resident shall have observed the alleged violation and shall (i) identify himself or herself as the complainant ("Complainant"), (ii) identify the property on which the violation occurred or exists ("Property in Violation"), and (iii) set forth a statement describing the alleged violation, referencing the specific provisions which are alleged to have been violated, when the violation was observed and any other pertinent information. Non-written complaints or written complaints failing to include any information required by this provision may not be investigated or prosecuted at the District Manager's discretion.
- b. Complaints by a director of the Board, a committee member, or the District Manager, may be made in writing or by any other means deemed appropriate by the Board if such a violation was observed by the Director or District Manager. The owner(s) of the Property in Violation will be notified that a complaint has been filed and the nature of the complaint.



3. Investigation:

- a. Upon receipt of a complaint by the District, if additional information is needed, the complaint may be returned to the Complainant or may be investigated further by a Board designated individual or committee. The Board shall have sole discretion in appointing an individual or committee to investigate the matter.

Owner Notification Policies

4. Initial Warning Letter:

- a. If a violation is found to exist, a warning letter shall be sent to the owner of the Property in Violation explaining the nature of the violation and the action required to remedy the violation. The owner of the Property in Violation will have 14 days from the date of the letter to correct the violation.

5. Continued Violation After Initial Warning Letter:

- a. If the owner of the alleged Property in Violation does not correct the violation within 14 days of the First Notice, a Second Notice shall then be sent to the owner of the alleged Property in Violation providing the owner with (a) an additional 14 days from the date of the letter to correct the violation and (b) an opportunity for a hearing, and explaining if a violation is found to exist, pursuant to this Resolution. The Second Notice shall further state that the alleged Violator is entitled to a hearing on the merits of the matter provided that such hearing is requested in writing within 14 days of the date of the second violation letter.
- b. If the owner of the alleged Property in Violation does not correct the violation within 14 days of the Second Notice, a Third Notice shall then be sent to the owner of the Property in Violation providing the owner with (a) an additional 14 days from the date of the letter to correct the violation, (b) notice of the fine posted to the Property Account in accordance with the fine schedule set by this Resolution, (c) a warning that the District may file a covenant lien on the Property in Violation at any time, and (d) a warning that the Property Account may be turned over to the District's attorneys for additional legal action at any time after issuance of a Third Notice.
- c. If the owner of the Property in Violation does not correct the violation within 14 days of the Third Notice, a Fourth Notice and Subsequent Notices shall then be sent to the owner of the Property in Violation providing the owner with (a) an additional 14 days from the date of the letter to correct the violation, (b) notice of the fine posted to the Property Account in accordance with the fine schedule set by this Resolution, (c) a



warning that the district may file a covenant lien on the Property in Violation at any time, and (d) a warning that the Property Account may be turned over to the District's attorneys for legal action at any time.

Owner Rights to Appeal Violation Notices

6. Notice of Hearing:

- a. If a hearing is requested by the owner of the alleged Property in Violation, the Board, committee, or other person conducting such hearing as may be determined in the sole discretion of the Board, shall serve a written notice of the hearing to all parties involved at least 10 days prior to the hearing date.

7. Impartial Decision Maker:

- a. Pursuant to Colorado Law, the owner of the alleged Property in Violation has the right to be heard before an "Impartial Decision Maker". An Impartial Decision Maker is defined under Colorado law as:

" ... a person or group of persons who have the authority to make a decision regarding the enforcement of the [Common Interest Community] covenants, conditions, and restrictions, including architectural requirements, and other rules and regulations of the [Common Interest Community] and do not have any direct personal or financial interest in the outcome. A decision maker shall not be deemed to have a direct personal or financial interest in the outcome if the decision maker will not, as a result of the outcome, receive any greater benefit or detriment than will the general membership of the [Common Interest Community]."

Unless otherwise disqualified pursuant to the definition of Impartial Decision Maker, the Board may appoint to act as the Impartial Decision Maker the entire Board, specified members of the Board, or any other individual or group of individuals.

8. Hearing:

The hearing procedures shall be as follows:

- a. The Board, through the chair of the meeting, shall direct all proceedings at the meeting. The chair shall also have complete authority to decide what evidence should be accepted. No person shall speak without being recognized by the chair and the chair may limit the amount of time any person may speak. The failure to comply with the directions of the chair or otherwise conduct an orderly hearing may be considered, in itself, a Violation of the rules resulting in fines or other penalties.
- b. The Board, through the chair of the meeting, will describe the specific provision of the Governing Documents which is said to have been violated by Owner, including the date and place.



- c. The owner shall be asked to admit or deny the charge. The owner may speak for himself or may be represented by counsel throughout the hearing. Failure by Owner to respond or attend the hearing will be construed as an admission by Owner of the Violation.
- d. If the charge is denied, Owner shall describe the details of the circumstances at the hearing.
- e. The owner shall have the opportunity to confront each witness against him.
- f. When all complaining witnesses have been heard, Owner may make statements in rebuttal, and may provide witnesses in support of his position. The complaining witnesses may ask questions of each such rebuttal witness in turn.
- g. The Board shall have the opportunity to question any witness or involved parties if it so desires.
- h. Not more than five (5) business days following the hearing, the Board shall:
- i. Make a finding that the Lot is in compliance with the Governing Documents.
- j. Make a finding that the Lot is in Violation of the applicable provisions of the Governing Documents; or
- k. Continue the hearing to a date certain for the purpose of obtaining additional information regarding the alleged Violation.

The decision of the Board shall be final. The result of the vote shall be recorded in the minutes of the meeting and announced to the Owner. Following such decision, any noncompliant Owner shall correct, remedy, or otherwise remove the Violation within the time period specified in the written findings of the Board. Failure of the Owner to comply to cure the Violation within the stated time period, the Board shall provide the Owner with a written Notice of Continuing Violation and Fine as provided in Section 5 herein and the procedures set forth therein shall govern the continuing Violation.

Notice and Fine Policies

9. Continuous Violation:
 - a. A "Continuous Violation" is defined as a violation of Owner obligations that is uninterrupted by time. For example, the failure to remove an unapproved exterior improvement, failure to repair a damaged fence, or failure to maintain a minimal amount of weeds in landscaping for 30 consecutive days are all examples of "Continuous Violations."



10. Fine Schedule:

- a. The following fine schedule has been adopted for all Property Violations:
 - i. First Violation
 - 1. Warning Letter
 - ii. Continuous Violation - Second Notice (of same covenant or rule)
 - 1. Warning Letter (with threat of a fine)
 - iii. Continuous Violation Third Notice (of same covenant or rule)
 - 1. \$25.00 Fee
 - iv. Continuous Violation - Fourth Notice (of same covenant or rule)
 - 1. \$50.00 Fee
 - v. Continuous Violation - Fifth and Subsequent Notices (of same covenant or rule)
 - 1. \$100.00 Fee

11. Legal Action:

- a. The Board may turn over Property Violations to the District's attorneys for legal action after issuance of a Third Notice on a Continuous Violation.

12. Covenant Liens:

- a. The Board may file covenant liens on any property within the Common Interest Community for violations that remain uncorrected subsequent to the issuance of a Fourth Notice for a continuing violation. The Board may consider any criteria in determining whether and when to file a covenant lien on any property. Such criteria may include recommendations submitted by the District Manager and/or Committee. All costs incurred by the District related to filing covenant liens will be charged back to the respective Property Accounts.

13. Fine Limitations:

- a. No limit exists on the amount of fines that may be accrued in accordance with the other provision of this Resolution on a Property Account for failure to comply with the covenants, rules and restrictions of the Common Interest Community. Property Accounts with accrued, unpaid fines will be turned over to the District's attorneys for collection action in accordance with the Board's collection policy.

14. Retro-Active Assessment of Fines:

- a. Generally, the District shall not retroactively assess under any condition fines on a Property Account for any identified violation. However, if the District relied on an Owner's written representation to close a violation, and the District subsequently determines the written representation was false, the District may retroactively apply



finest to the Property Account and re-open the violation to the appropriate stage as if the violation had never been closed.

15. Acceleration of Fine Schedule:

- a. Threats to Health/Welfare/Safety: Regarding violations on a Lot that may be deemed by the Board to pose an immediate threat to the health, safety or welfare of neighboring Lots, the Board may, at its sole discretion, shorten the compliance deadlines to as little as 24 hours. Violations that pose an immediate threat to the health, welfare or safety include but are not limited to snow/ice on public rights-of-way on a Lot, excessive trash storage on a Lot, rodents or excessive pests on a Lot, illegal/unlicensed activities/operations on a Lot, storage of dangerous chemicals or explosives on a Lot, etc.

Board Discretion Regarding Owner Appeals

16. Violation Classification:

- a. The Board reserves the right to determine whether identified violations on a Lot constitute one or more separate violations.

17. Waiver of Fines.

- a. The Board may waive all, or any portion, of the fines if, in its sole discretion, such waiver is appropriate under the circumstances. Additionally, the Board may condition waiver of the entire fine, or any portion thereof, upon the owner of the Property in Violation correcting such violation(s) and staying in compliance with the Declaration, and this Resolution.

18. District Manager Fine Waiver Authority:

- a. The District Manager has the authority to waive up to \$150 in fines occurring within a calendar year on any Property Account if, in the District Manager's sole discretion, such waiver is appropriate under the circumstances. Any requests to waive more than \$150 in fines within a calendar year must be approved by the Board.

19. Owner Requests for Compliance Deadline Extensions:

- a. In situations where the Board agrees to an Owner's request to extend the compliance deadline for a violation, the District will continue to issue notices and assess fines in accordance with this Resolution. If the Owner corrects the violation within the extended compliance deadline, the District will reverse any fines accrued on the Property Account during the deadline extension period.



Compliance Expectations

20. Failure to Identify Violations:

- a. Owners are responsible for identifying, correcting and preventing covenant violations from occurring on their Lots. The District's failure to identify one or more violations on a Lot does not constitute Board approval of such violations or prevent the Board from subsequently enforcing such violations.

21. Owner Responsibilities:

- a. Owners are responsible for maintaining their Lots in a manner that reasonably complies with the covenants and restrictions contained within the Declaration document. The Board will hold Owners, who rent or lease their homes, responsible for the reasonable maintenance of their Lots-regardless of any contractual maintenance arrangements that may exist between Owners and their renters or between Owners and their property management companies. In addition, the Board will hold Owners, who use their Lots as their primary residence, responsible for the reasonable maintenance of their lots-regardless of the Owners' personal or business schedules that may cause the Owners to be away from their lots for extended periods of time.
- b. Owners are responsible for being familiar with the covenants and restrictions contained within the Declaration and the Architectural Guidelines. In addition, Owners are responsible for being familiar with the Board's interpretations of various covenants and restrictions as provided in the Declaration.

22. Rental Properties-No Reset on Turnover:

- a. Violation notices and fines will not be reset when a turnover in renter occupancy occurs on a Lot used as a rental property. Regardless of the contractual arrangements entered into between renters and Owners, Owners (not renters or other occupants of the Lot) are responsible to the District for ensuring their Lots are adequately maintained in a manner that complies with the covenants, conditions and restrictions of the Common Interest Community.

23. Change in Ownership-Violations Reset:

- a. Although violation notices and fines are attributed to the Lot rather than to the Lot Owner, the Board may reset any open violations back to a First Notice when a change in Lot ownership occurs. If the Board resets any violations due to a change in ownership of the Lot, the violation reset is offered as a courtesy to the new Owners but does not invalidate any previous violation notices. For purposes of this paragraph, a change in



ownership occurs only when none of the original Owners on a lot's title become Owners on the newly issued title for the lot.

24. Location or Proximity of Lots to Open Spaces:

- a. Generally, the Board will not excuse violations (especially related to yard maintenance) because of a Lot's proximity to open spaces. (For example, Owners may indicate that weed violations on their Lots are due to the proximity of their Lots to un-landscaped open spaces.)

25. Compliance Deadlines:

- a. The compliance deadline date to correct a violation is the date by which the violation must be corrected. It is not the date by which Owners should start correcting the violation.

26. Results-Oriented Compliance Required:

- a. The act of taking corrective action does not itself constitute correction of a violation. For example, starting fence repairs, spraying weeds, scrubbing oil-stained driveways, installing weed barriers and painting the house do not constitute compliance until such actions have been completed and the related violation has been adequately corrected.

27. Violations Not Conditionally Excused:

- a. The Board will not excuse violations on an Owner Lot because violations may exist on other Owner Lots.

Violation Specific Policies

28. Black-out Period & Reset Conditions for Yard Maintenance:

- a. Yard maintenance deficiencies specifically related to (1) lawn mowing, (2) weeds and (3) turf disrepair are subject to violation notices between May 1st and October 31st. For the 6-month period between November 1st and May 1st, violation notices will not be issued for such deficiencies. Yard maintenance-related violations that remain open as of October 31st will be carried forward and treated as a continuous violation when such deficiencies are subject to inspection beginning after May 1st. Conversely, yard maintenance-related violations that are closed as of October 31st will not be carried forward and classified as a continued violation when yard maintenance deficiencies become subject to inspection again beginning on or after the subsequent May 1st.



29. Weed Violations:

- a. When Owners receive a violation notice regarding excessive weeds (e.g., weeds in the lawn, weeds in the rock beds, weeds in the driveway, weeds throughout the Lot), Owners must correct such violations by removing such weeds. Applying chemicals and/or cutting down the height of weeds do not constitute correction of such violations.
- b. The Board encourages Owners to carry out preventative measures (e.g., apply weed and feed to lawns, install/replace weed barriers, spray weed killing chemicals on rock beds, sidewalks, driveways) to ensure an excessive amount of weeds does not develop on their lots. However, when an excessive amount of weeds already exists on a Lot, the application of chemicals alone fails to properly address the issue of an unsightly Lot with an excessive amount of weeds.
- c. Owners are required to remove weeds regardless of whether the Owners purposefully incorporate such weeds (e.g., "manicured" or trimmed weeds) into the overall landscaping plan for their Lot.
- d. Weeds are defined in accordance with the Colorado-state listed Noxious Weed list as published by the Colorado State University Coop Extension and also includes all variations of dandelions, oxalis and bindweed.

30. Turf Disrepair:

- a. Owners who receive violations regarding the disrepair of the front lawn will have 28 calendar days from the date of the letter to correct the disrepair issues with their lawn. (All other types of violations are subject to the compliance timeline established in paragraph 4 and 5 of this Resolution.) The application of seed, fertilizer or other chemicals does not constitute a correction of a turf disrepair violation. Such actions are merely actions taken by an Owner to restore the damaged turf. Correction of a turf disrepair violation only occurs when the turf has returned to an acceptable condition as further defined in the Declaration.

31. Backyard Landscaping Maintenance Enforcement:

- a. For backyards that are visible to the public from public points of view (e.g., streets, sidewalks, open spaces), the District will issue violation notices if any such backyards fail to substantially comply with the requirements of the covenants and/or Design Guidelines. For backyards that are not visible from public points of view, the District will issue violation notices if (1) any such backyards fail to substantially comply with the requirements of the covenants and/or Design Guidelines and (2) a verifiable complaint is received from an Owner. A verifiable complaint is defined as a complaint from an Owner



who allows the Board or Board representative access to the Owner's lot to gain a vantage point that allows visual verification of the Lot subject to the complaint.

- b. For backyard violations that require the District representative to visually verify the violation from another Owner's lot, the Owner in violation is required-after receiving the violation notice-to provide the Board with evidence in the form of photos of the corrected violation or access to the Lot for inspection. The District may advance the violation in accordance with this Resolution if the Owner fails to provide the Board with satisfactory evidence that the violation has been corrected.

32. Violations Regarding Noxious Odors from Marijuana:

- a. Violation notices regarding noxious odors caused by marijuana plants may be closed if the Owner of the Property in Violation provides a written representation to the District that either no marijuana is being grown on the Property or the Property complies with City, County and State regulations regarding marijuana grow operations. If the Property is subsequently cited by any governmental entity for failing to comply with City, County or State regulations regarding the growing of marijuana on the Property, the Board will retroactively assess fines on the Property Account in accordance with this Policy. Fines will be retroactively assessed back to the original violation date, unless facts and circumstances provided to the Board indicate that fines should be retroactively applied to a different date at the Board's sole discretion.

33. Noise/Odor Violations:

- a. Section 3.5 of the Declaration prohibits "unreasonably offensive" sounds or odors to originate from any Lot. The District will issue a violation notice to an Owner of a Lot when one or more Owners submit a complaint regarding unreasonably offensive or disturbing noises or odors originating from such Lot. Violations will be advanced if two or more complaints are subsequently submitted by Owners within 8 weeks of issuing the previous violation. The District defers all complaints regarding barking dogs to the City's animal control or police.

34. Livestock and Poultry Restrictions:

- a. Section 3 .11 of the Declaration prohibits livestock and poultry from being raised, bred or kept on any Lot but does allow for up to three domesticated animals. Pygmy goats, miniature goats, dwarf goats and chickens of any kind are considered livestock (regardless of whether such animals are purported to be domesticated) and are consequently prohibited under section 3 .11 of the Declaration.



Miscellaneous Policies

- 35. Other Enforcement Means:
 - a. This Resolution is adopted in addition to all other enforcement means which are available to the District through the Declaration and Colorado law. The use of this Resolution does not preclude the District from using any other enforcement means.

- 36. Advice and Direction:
 - a. Neither the Board nor its agents are responsible for or required to provide Owners with advice or direction on how to maintain their Lots. Owners are responsible for acquiring the knowledge, tools, experience and/or assistance necessary to ensure their Lots are adequately maintenance in accordance with the covenants, conditions, and restrictions applicable to the Common Interest Community.

- 37. Definitions:
 - a. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

- 38. Supplement to Law:
 - a. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the laws of the State of Colorado.

- 39. Deviations:
 - a. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

- 40. Amendment:
 - a. This Resolution may be amended from time to time by the Board.

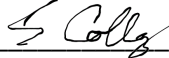
PRESIDENT'S CERTIFICATION:

The undersigned, being the President of the Riverdale Dunes Metropolitan District No. 1, certifies that the foregoing Resolution was adopted by the Board of Directors of the District, at a duly called and held meeting of the Board of Directors on October 02, 2017, and in witness thereof, the undersigned has subscribed his/her name.



Riverdale Dunes Metropolitan District No. 1

By: ~~DocuSigned by:~~


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Board President